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OFFICIAL REPORT

OF

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FOURTH SESSION—FOURTEENTH PARLIAMENT

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1925

CANADA

House of Commons Debates

OFFICIAL REPORT

Tuesday, May 12, 1925

The House met at three o'clock.

PRINTING OF PARLIAMENT

Hon. CHARLES MARCIL (Bonaventure) moved that the second report of the Joint Committee on the Printing of Parliament be concurred in.

Motion agreed to.

CANADA-FINLAND TREATY OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to introduce a measure to provide that goods produced or manufactured in Finland shall receive treatment as favourable as that accorded to goods produced or manufactured in any foreign country so long as goods produced or manufactured in Canada enjoy in Finland the same treatment as is enjoyed by similar goods produced or manufactured in the United Kingdom, as set out in Article 23 of the Treaty of Commerce and Navigation between the United Kingdom of Great Britain and Ireland and Finland, made at Helsingfors the 14th day of December, 1923.

Mr. MEIGHEN: Mr. Speaker, is this not a notice of motion to go into committee to-morrow?

Mr. ROBB: To-morrow, if my right hon. friend insists, but I thought we might make some progress by taking it up to-day.

Mr. MEIGHEN: Oh, it cannot be anything else.

Mr. ROBB: I move that we go into committee to-morrow on this resolution.

Motion as amended agreed to.

CANADA-NETHERLANDS CONVENTION OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to-morrow on the following proposed resolution:

Resolved, that it is expedient to bring in a measure to provide that a certain convention of commerce dated the eleventh day of July, 1924, entered into at Ottawa by the plenipotentiaries appointed by His Majesty and by Her Majesty the Queen of the Netherlands be approved, and to give effect to the provisions of the said convention.

Mr. MEIGHEN: Both these resolutions were on the order paper yesterday, and I think the day before. This notice could have been given then, and we could then have gone into committee to-day.

Mr. ROBB: The day before, I was not here.

Mr. MEIGHEN: Somebody else could have done it.

Motion agreed to.

DEATH OF MR. A. B. HUNT, M.P.

On the Orders of the Day:

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

Bury, Quebec, May 11, 1925.

The Honourable RODOLPHE LEMIEUX, K.C., M.P.,
Speaker of the House of Commons,
Ottawa.

Dear Sir,—Please convey to the House of Commons on behalf of my mother and the other members of our family our deep appreciation and gratitude for the great tributes paid to my father's memory and for the sympathy so kindly extended to us in our great and sudden bereavement.

Respectfully,
WALTER G. HUNT.

BRITISH PREFERENCE ON SUGAR

On the Orders of the Day:

Mr. NEIL McTAGGART (Maple Creek): I desire to rise to what I presume would be a question of privilege. I desire to challenge the correctness of an answer given by the hon. Minister of Marine and Fisheries (Mr. Cardin) to a question appearing in my name on the order paper a few days ago. The question concerned the tariff on sugar, and especially the British preference, and was based on information which came into my possession that the British preference on sugar had been withdrawn.

Mr. SPEAKER: I would remind the hon. gentleman that a question of privilege can only be raised if the matter at issue affects the honour of a member of the House. A

question such as the one raised by the hon. gentleman is a matter for debate on some other occasion, but not before the Orders of the Day as a question of privilege. I do not see where the privilege is in that question. We should therefore proceed with the Orders of the Day.

Mr. McTAGGART: I defer to your ruling Mr. Speaker, and I will follow it up by a question to the government as to whether or not the British preference on sugar has been withdrawn?

Mr. ROBB: I think my hon. friend had better put his question on the order paper; it will be considered in the regular way.

WAYS AND MEANS

CUSTOMS TARIFF, 1907, AMENDMENT

The House in committee of Ways and Means, Mr. Gordon in the chair.

1. Resolved, that the first paragraph of subsection one of section six of the Customs Tariff, 1907, and subsection seven of said section six be repealed and the following substituted therefor:

In the case of articles exported to Canada of a class or kind made or produced in Canada, if the export or actual selling price to an importer in Canada is less than the value thereof for customs entry, there shall, in addition to the duties otherwise established, be levied, collected and paid on such article, on its importation in Canada, a special duty (or dumping duty) equal to the difference between the said selling price of the articles for export and the said value thereof for customs entry; and such special duty (or dumping duty) shall be levied, collected and paid on such article, although it is not otherwise dutiable.

(7) Such regulations may also provide for the exemption from special duty of any article when the difference between the value for customs entry and the selling price thereof to the importer as aforesaid amounts only to a small percentage of its value for customs entry.

2. Resolved, that schedule A to the Customs Tariff, 1907, as amended by chapter forty-seven of the Statutes of 1919, chapter twenty-seven of the Statutes of 1921 and chapter thirty-eight of the Statutes of 1924, and by Order in Council, be further amended by striking thereout tariff items 101a, 587, 588, 591 and 591a, the several enumerations of goods respectively, and the several rates of duties of Customs, if any, set opposite each of said items and to repeal paragraph (a) of regulation 1 of Order in Council, P.C. 1344, dated 5th day of August, 1924, designated as item 774 of the Customs Tariff, and to provide that the following items, enumerations and rates of duty be inserted in said schedule A:—

Tariff Items	—	British Preferential Tariff	Intermediate Tariff	General Tariff
101a	Shaddocks or grape fruit, n.o.p., per one hundred pounds	50 cts.	$1.00	$1.00
101aa	Shaddocks or grape fruit, when imported from the place of growth, by ship, direct to a Canadian port, per one hundred pounds	Free	50 cts.	$1.00
453e	Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise	10 p.c.	12½ p.c.	15 p.c.
469a	Well-drilling machinery and apparatus and parts thereof, and rope twenty-one hundred feet and over in length, capable of drilling wells of two thousand feet and over in depth, of four inches and over in diameter, and of raising and lowering casing over four inches in diameter for such wells, for drilling for water, natural gas and oil, and for prospecting for minerals, not to include motive power	5 p.c.	5 p.c.	5 p.c.
553a	Braided candle-wick with or without wire centre or braided taper-wick with or without wire centre when imported by manufacturers of wax candles or wax tapers for use only in their own factories in the manufacture of wax candles or wax tapers	Free	Free	Free
588	Coal, bituminous and coal, n.o.p., per ton	35 cts.	45 cts.	50 cts.
588a	Gas for heating, cooking or illuminating per one thousand cubic feet	6 cts.	6 cts.	6 cts.
591	Farm wagons, farm sleds, logging wagons, logging sleds, and complete parts thereof	5 p.c.	10 p.c.	10 p.c.
591a	Freight wagons, drays, sleighs, n.o.p., and complete parts thereof	17½ p.c.	25 p.c.	25 p.c.

Hon. J. A. ROBB (Acting Minister of Finance): I move that resolution No. 1 with respect to the amendment of subsection 1 of section 6 of the Customs Tariff, 1907, be struck out.

[Mr. Speaker.]

Mr. GOOD: I am entirely in favour of having the resolution struck out, but I was going to ask the Acting Minister of Finance whether or not there would be any opportunity afforded of discussing the administra-

tion of the dumping regulation; if not, whether the present opportunity could be taken advantage of in spite of the fact that the proposed dumping resolution is to be struck out?

Mr. ROBB: The question is now before the House.

Mr. CALDWELL: I think that if the clause proposed to be struck out were read to the committee it would avoid some doubt or confusion in the minds of hon. members as to what we are striking out.

Mr. ROBB: If hon. members refer to the Votes and Proceedings of March 24, they will see that I am proposing to strike out the resolution to amend the dumping clause.

Mr. GOOD: I understand that the Acting Minister of Finance claimed, when he announced the withdrawal of this resolution some time ago, that the present regulations were adequate. Am I to understand that the present regulations give the same adequacy as the proposed amendment was supposed to provide? Because, it seems to me that the resolution which it is now proposed to strike out gives to the customs officials a tremendous power, a power which they ought not to have under any circumstances. I should therefore like to know whether or not the same power of arbitrary valuation rests with the officials at the present time.

Mr. ROBB: We are proposing to strike out the resolution giving the officials the very power to which he objects. The act will therefore remain as it is now, and it will be applied to imports of dutiable goods when they are valued at less than the fair market value in the country of origin—that provision has been in our statutes for many years and it will continue. I do not think I have anything to add to that statement.

Mr. GOOD: My reason for putting the question is that there have been a good many complaints as to the determination of "fair market value" in valuing goods for customs purposes. The minister might give some assurance to the House, if he can, that there are no abuses existing at the present time in connection with this particular matter.

Mr. ROBB: Does my hon. friend claim that the valuation has been too high, or too low?

Mr. GOOD: I have no personal knowledge of such valuations, but we have heard hon. members mention them. I have heard frequent charges that the valuation which has been placed upon articles for this particular purpose has been much higher than the market value in the country of origin. I should like to know, therefore, for my own information, how the officials determine the fair market value of these goods in the country of origin?

Mr. ROBB: As my hon. friend knows, they have methods of gaining that information. According to my observation most of the complaints that have come to the department are that the valuation has been too low.

Mr. FORKE: It depends upon which quarter it comes from.

Mr. ROBB: It is administered by regulations in the Customs and Excise Department. There is a Customs Board dealing with the regulations to which the importers may appeal. Generally I think it has been fairly administered. It has been in operation since 1906.

Mr. CALDWELL: I presume the complaint that the valuation has been too low comes from the Manufacturers' Association.

Mr. ROBB: No, not necessarily; not always.

Mr. CALDWELL: I think it would be doubtful if the minister would claim that it would come from the consumers.

Mr. HOEY: The minister says it applies to dutiable goods. Does it not apply to free goods as well, such as binder twine?

Mr. ROBB: Oh, yes.

Mr. CHURCH: The formal resolution with regard to the dumping clause was announced in the budget speech, but later the Acting Minister of Finance (Mr. Robb) gave notice that he would withdraw it. When he first announced the withdrawal of the dumping clause it met with applause from my hon. friends to my left; no doubt it was a surrender of the government to the free trade policy of those hon. members.

In the large cities of Canada there is a protest from every business man about the way in which German and American goods are being dumped into this country. If you walk into any of the departmental stores in the city from which I come you will find that German goods of many kinds are being sold over the counter, and it is impossible for the small retailer or the large or small manufacturer to compete under existing conditions. An almost unanimous wish has been expressed that the government should provide a drastic dumping regulation, to take care of our

native products and industries. The large and small manufacturers of the country have to contend with many economic conditions which are almost intolerable on account of the competition of the German manufacturer, where they have cheaper labour, longer hours of work and depreciated currency. In that country they are not paying the heavy taxes which the manufacturer has to pay in this country. These impositions have become a nuisance and a burden on trade and commerce in Canada, and I do not know how long the present condition is going to continue. A letter was read in the House the other day in regard to this matter, telling us how factories were being closed and how the people were out of work in this country, while Germany was in a prosperous condition—many people in Canada in the breadline or having a hard struggle to keep home and family together. The other night in the House I exhibited some of these German articles which were sent here from Toronto, showing how impossible it was, owing to the present condition of the dumping clause, to compete with the foreign goods from Germany and the United States.

What does the government propose to do about it? A large number of men are going to the States. Many industries are closed and others are suffering from the lack of some provision which would protect them. I do plead with the minister, notwithstanding what he has said here to-day and what he stated the other day, to do something for the small manufacturers and the larger manufacturers in order to give them some safeguard, which they have not to-day as a result of the condition of the dumping clause at the present time. The dumping clause was a good Liberal doctrine a few years ago when the Minister of Finance (Mr. Fielding) was actively in charge. He saw the condition many years ago and recognized the necessity of providing relief for the Canadian artisan and mechanic, and he did something for them. But to-day the flood-gates are open, and European goods of all kinds are being sent into Canada and I do not know where it is going to end. Take the shoe industry which has been so much referred to both in this House and outside. We have suffered very much on account of present conditions. Owing to mass production in European countries, shoes have been sold in Canada for a dollar and a half, when these same shoes could not be produced by Canadian workmen for less than two, three or four dollars. England is coming forward with a dumping clause. It may be an indirect way of doing it by the Safeguarding of Industries Act, but they have to make some provision to safeguard the industries of England. The United States is doing the same thing. I appeal to the minister, because he is more in touch with the trade and commerce of the country than anybody else, to look into conditions and have some regard for the unanimous protests from the city from which I come and from all over Canada, and to take some practical action to prevent the dumping of European goods into Canada in such a wholesale manner which has the effect of closing up many industries in Canada,—causing unemployment and driving our citizens to join the exodus.

Mr. EVANS: I was wondering if the hon. member for Brant (Mr. Good) had received a proper answer to his question yet. I have reason to believe that the dumping clause should not be applied according to the original meaning of that act. I take it the dumping clause is not applied until goods are sold at five per cent less for export than they are sold in the country of origin.

Mr. ROBB: That is right.

Mr. EVANS: I have reason to believe the Dumping Act is applied according to the price which is fixed at the instigation of the Canadian manufacturers, instead of being governed by the price in the country of origin, and moreover goods which are on the free list also come under the Dumping Act, and dumping duty has been charged on goods which have been imported into this country when sold at the regular price in Great Britain. I should like to have some information regarding that. The question is whether, with the customs authorities already using the power that this provision sought to give them, it would still be used if we passed this paragraph.

Mr. KENNEDY (Glengarry): Would the minister give a statement in a general way as to what he considers the purpose of the dumping clause?

Mr. ROBB: My hon. friend from Saskatoon (Mr. Evans) appears to have a fair knowledge of the position. It applies when the goods are sold at less than five per cent of the fair value in the country of origin. The five per cent however does not apply to free goods. That is the general purpose.

Mr. HOEY: It does not apply to natural products.

Mr. ROBB: If they are produced in Canada it applies.

Mr. KENNEDY (Glengarry): Would the minister state whether or not in his opinion the act should be applied where there is no serious cutting of prices as between the country of origin and the price in Canada?

Mr. ROBB: Five per cent is the regulation.

Mr. KENNEDY (Glengarry): It only applies to dutiable goods.

Mr. ROBB: I will give my hon. friend an instance. The hon. member for North Toronto (Mr. Church) a few moments ago made a representation regarding undervaluation. We have had a lot of representations placed before us with regard to the importation of manufactured goods. But I recall an instance just about a year ago when there was complaint from the dairymen of this country who claimed large consignments of butter were shipped in from New York at a price far below the market value. What happened was this. There was a surplus of butter on a certain day in New York and the price went down. They shipped thirty or forty cars into Canada and the price in New York went up immediately. Our dairymen represented to us that the "fair market value" should not be the price on a day when there was a large surplus but the price the day before the goods were shipped, or the day after. Thus hon. members will see that the dumping clause applied to other than manufactured goods.

Mr. KENNEDY (Glengarry): That was not my question. What the minister states is true in the case of articles where there is a serious fluctuation in the price either in Canada or in the country of origin. If the firm importing into Canada are not seriously cutting their prices in order to interfere with Canadian manufacturers, should the dumping clause be applied?

Mr. ROBB: The regulation, as I pointed out to my hon. friend a moment ago, allows five per cent.

Mr. KENNEDY (Glengarry): Only in respect to dutiable goods.

Mr. ROBB: Yes.

Mr. KENNEDY (Glengarry): In respect to goods that come in free, there is no five per cent differential. May I repeat the question again? In respect of free goods where there is no serious fluctuation in price, and where there is no intention to cut the price under that of Canadian manufacturers, should the dumping clause be applied?

Mr. ROBB: That is all a matter of opinion. I imagine the dairymen of this country, had butter been on the free list, might have raised exactly the same complaint as they would if butter was paying a duty.

Mr. KENNEDY (Glengarry): That may be very true, but may I repeat my question? —because the minister has not yet answered it. What I would like to know is the policy of his department. In certain cases or in any case where there is a cutting of prices to undersell the Canadian producer of natural or manufactured products, the department applies the dumping clause. I ask him: In cases where there is no serious fluctuation in price and where there is no attempt to undersell the Canadian manufacturer, should the dumping clause be applied?

Mr. ROBB: I will ask my hon. friend if he knows that it has been applied under such conditions?

Mr. KENNEDY (Glengarry): I would like to have a statement of policy of the department.

Mr. EVANS: Some years ago I had reason to believe that agricultural implements bought in the United States in the regular way at the price at which they were sold to the trade there, came under the dumping clause here.

Mr. ROBB: This government has largely removed the complaint of my hon. friend regarding agricultural implements.

Mr. BRETHEN: Is it not a fact that today American automobiles are priced, not at the American valuation, but at a supposed Canadian valuation?

Mr. ROBB: I will read the law as it is. I am not administering the law:

> In the case of articles exported to Canada of a class or kind made or produced in Canada, if the export or actual selling price to an importer in Canada is less than the fair market value of the same article when sold for home consumption in the usual and ordinary course in the country whence exported to Canada at the time of its exportation to Canada, there shall, in addition to the duties otherwise established, be levied, collected and paid on such article, on its importation into Canada, a special duty (or dumping duty) equal to the difference between the said selling price of the article for export and the said fair market value thereof for home consumption.

Mr. BRETHEN: Some time ago I made an examination and went to the trouble to interview some dealers in this city who are selling automobiles. There was a standard price for American machines as advertised in all the American papers. There was no fluctuation in the price. I was informed that that price was not accepted under the customs tariff, but that an arbitrary Canadian price

was set on those machines for the purpose of duty. With this increased valuation for duty and with the sales tax, the practical result is that the selling price of those cars in Canada is about 48 per cent over the American price.

Mr. ROBB: That has not been directed to my attention.

Mr. LEWIS: The minister, in reading the regulation, did not say anything about the limitation. He did not speak about the five per cent differential.

Mr. ROBB: Fifteen per cent.

Mr. ANDERSON: In view of the fact that large quantities of German goods are coming into Canada at possibly about fifty per cent of the cost of production in Canada, has the minister taken into consideration inserting a clause in the act giving the minister authority to make special provision for special cases, so that he can act in the interim of parliament?

Mr. ROBB: My hon. friend knows Germany is now on a gold basis, and since Germany has got on the gold basis, the experience is that importations of goods from Germany are not increasing. The importations remain practically stationary.

Mr. STIRLING: Under what regulations or clauses was the dumping of fruit in 1924 taken care of?

Mr. ROBB: I think that was an amendment to the Customs Act in 1923.

Mr. STIRLING: Does the minister mean section 47(A) of the Customs Act?

Mr. ROBB: Yes.

Mr. STIRLING: Were orders in council issued to cover that?

Mr. ROBB: I think the minister took responsibility under section 47(A) of administering that.

Mr. STIRLING: Would the minister explain why rebates were apparently granted in such a wholesale manner as described in Commissioner Duncan's report?

Mr. ROBB: I could not tell my hon. friend that because I was not aware that rebates had been granted.

Mr. MacLAREN: Does the change affect the importation of fresh fish from the United States coast? I understand that occasionally there is an unusually large catch of fresh fish in the United States and that it is sent into Canada at such low prices that Canadian fish fails to be sold at a fair price. Does the amendment now proposed by the minister affect the matter of dumping as regards fresh fish?

Mr. ROBB: There will be no change in the law. The law will remain exactly as it has been heretofore. If the fishermen have any complaint as to the price, they should lodge their complaint with the Minister of Customs.

Mr. CLARK: What is the difference in effect between the old clause and the proposed clause?

Mr. ROBB: The clause as introduced, regarding which the complaint has been made by some hon. gentlemen opposite, gave to the officials of the department certain powers to determine the value for duty purposes. The law, as it will remain, determines within what limits those values may be fixed.

Mr. CLARK: Who defines now the value for customs entry?

Mr. ROBB: It is defined under the Customs Act. I have just read that.

Mr. CLARK: That was the old section.

Mr. ROBB: We are coming back to the old section.

Mr. MEIGHEN: Except as modified by section 47(A).

Mr. ROBB: Yes.

Mr. MEIGHEN: The minister, in answer to the hon. member for Yale (Mr. Stirling), said that the Minister of Customs had taken it upon himself to act.

Mr. ROBB: That is my recollection of the matter.

Mr. MEIGHEN: If the minister will read section 47(A)—I do not have it before me, but I have a pretty distinct recollection of it—he will find that the Minister of Customs has no authority to act and value any goods unless he is first authorized by an order in council.

Mr. ROBB: There may be an order in council.

Mr. MEIGHEN: That is to say, there must first be an order in council authorizing him. It is vicious legislation; it could scarcely be more so, as I clearly emphasized in the House at the time. It was designed to put the minister virtually in control of the boundary to do what he liked. But the minister could not act except on the authority of an order in council. If the Acting Minister of Finance (Mr. Robb) will read the act he will

find that I am right. Now, is it a fact that the Minister of Customs and Excise (Mr. Bureau) went in there and acted without an order in council at all?

Mr. ROBB: It is possible he had the order in council.

Mr. MEIGHEN: No, he had not.

Mr. ROBB: My right hon. friend knows that the Minister of Customs and Excise is a good lawyer and he would not exceed the limitations of the act in the administration of it.

Mr. MEIGHEN: He is a good lawyer but—

Mr. ROBB: This question however is not now before the House—

Mr. MEIGHEN: Yes it is.

Mr. ROBB: —except by way of review.

Mr. MEIGHEN: He (Mr. Bureau) is a good lawyer but he is a lot more daring politician. The fact is that he had no order in council, for I wrote to the privy council to find out and received the reply that he had none at all. So that if what the Acting Minister of Finance tells us to-day is correct, the Minister of Customs and Excise, without the authority provided by parliament, went to the boundary and did what he pleased, instructing his officials to value as he liked. Are we to assume that this was the case? I can read the minister the letter which says that no order in council whatever was passed under the authority of section 47(A).

Mr. ROBB: I will take your word for it.

Mr. MEIGHEN: The minister will admit that the Minister of Customs had no authority to act at all except on the basis of an order in council to be passed after section 47 (A) had been adopted. He has section 47(A) there and can read it and tell the House whether or not the Minister of Customs had any authority to act without the order in council.

Mr. ROBB: I will accept my right hon. friend's word for it if he has been in communication on the subject.

Mr. MEIGHEN: That is one thing; but the minister has the law, and reading that law I want him to admit, or to deny, that the Minister of Customs had any authority to act unless the order in council gave him that authority.

Mr. HOEY: Was he obliged to have an order in council in each case?

Mr. MEIGHEN: No, a general order, I think.

Mr. GARLAND (Bow River): Does the leader of the opposition mean that all collections made subsequently would be illegal?

Mr. MEIGHEN: The valuations made by the minister without the authority of the order in council were illegal.

Mr. GOOD: And when did that occur?

Mr. MEIGHEN: I do not know; I did not know it had occurred myself, but the Acting Minister of Finance says that the Minister of Customs acted as he did.

Mr. GARLAND (Bow River): But if the valuations were illegal, then at least some portion of the collections must have been illegal.

Mr. MEIGHEN: Perhaps so.

Mr. ROBB: My right hon. friend will observe that section 46 of the act gives the minister some latitude.

Mr. MEIGHEN: But not the latitude he gets under section 47(A). Now the fact is —and I do not think any hon. members will be surprised, for it is in accordance with history—that the candidate representing the government in the election in the county of Yale circulated literature and asserted to the electors of that riding that this government, under the authority of this act, had given the farmers there higher protection in fruit than they had ever got under the Conservative regime. This was the appeal on which hon. gentlemen went before the electors in that constituency.

Mr. ROBB: My right hon. friend possibly denied that statement.

Mr. MEIGHEN: I knew that they could do it under the law, and I assumed that doing it, they did it legally. But now we are informed that it was done illegally. The fact is, as I say, that the Liberal candidate in Yale county, representing a government that claims to be determined to get reciprocity back again, with free fruit, circularized the whole riding proclaiming that this government had given higher protection on fruit to the farmers out there than they had ever enjoyed before. And I have his circular with me.

Mr. ROBB: Did you believe it?

Mr. MEIGHEN: The assumption usually is that such assertions are false. But it is bad enough to do that in violation of all professions made in this House and in the country,

and still worse to do it illegally; it is still worse to do it against a law which in itself is too sweeping and empowers the governor in council far beyond the limit to which it should be empowered. But we are now informed that the minister took the law into his own hands, ignored the provisions of the statute, and went to the boundary and told his officials to value as they liked, for this man one rate and for that man another. And the Liberal candidate in the riding to which I have referred made the statement that in that way the government gave higher protection than had existed before.

Mr. BANCROFT: All hon. members in this corner will be glad to learn that the good people of Yale, in electing the present member (Mr. Stirling), were voting for a low tariff.

Mr. MEIGHEN: They were voting for protection on fruit, announced by a man who was in favour of it and whose party openly advocated it. They were voting frankly for something that they understood; they were not voting for something under disguise, only to be fooled.

Mr. EVANS: I can give the right hon. gentleman some light on this. It is quite true that apples were being bought in the United States at that time at 65 cents a box and the regular duty brought them up to 95 cents. The British Columbia apple grower maintained that a box of apples should not be sold at first hand under $1.10. Two cars of apples at that time were assessed in Winnipeg, and as a matter of fact a dumping duty of 16 cents a box had to be paid, bringing the total up to $1.11. This was the power given the minister, who could place what price he liked on any fruit or other natural product imported. And that power was enacted in this House on June 22, 1922.

Mr. COOTE: I want to throw some more light on the question if possible. I was in British Columbia last year when the campaign was in progress in Yale and I cut out of a newspaper I bought on the train the following in reference to a meeting which was being held in the constituency:

> D. W. Sutherland, Liberal candidate, defended the record of the Liberals in the matter of the duty on fruit. He asserted that during the past two years, under the anti-dumping legislation in its present form, reductions in fruit importations as compared with the last two years the Meighen anti-dumping clause was in force, had amounted to 239 per cent. The electors of Yale, he said, must decide whether or not they are desirous of having that form of taxation discontinued.

It seems to me that there should be some amendment to the Dumping Act. I think the minister is well advised to withdraw this amendment, but the government should bring forward some other amendment by means of which it will be possible for the importer of fruit to know in advance whether or not he is likely to be subject to the dumping duty. Under present conditions I do not think the importer knows. I had a letter from a western fruit jobber in which he said:

> I would like to emphazise the fact that we never know how much the dumping duty is until after we have possession of the goods, and sometimes we have the apples sold, when two or three weeks afterwards an account is received for the dumping duty, which was not included in the selling cost. We tried to get an established price for apples coming into this market, but our answer was that there might be collusion between shipper and jobber and false invoices made out; so you can see we are sometimes in the dark as far as the dumping duty goes.

And he gives specific instances of the unfair levying of the dumping duty. As I said before, I think there should be some amendment made to the dumping clause, but the amendment proposed was not a proper one, and I am glad it is being withdrawn. Under the present dumping law, will the minister inform us if the officers of the Department of Customs are given the power to set an arbitrary value upon motor cars which are brought into this country? Such cars are sometimes accompanied by a sworn affidavit as to the price paid, and yet the customs officers will arbitrarily set a value on the car for duty purposes which is sometimes nearly twice the sworn invoice value.

Mr. ROBB: My understanding is that the officers of the department must assess the value as provided for by the Customs Act.

Mr. COOTE: Just what does the Customs Act provide in that case? Does it give them that power, or should they take the exporter's invoice of the price paid for the car as the value for duty?

Mr. ROBB: I do not know that I can give my hon. friend any further information. I believe that all hon. gentlemen who desire to look after our legitimate trade will agree with me that the customs board must have some latitude. I may take my hon. friends and the public into my confidence to this extent. We have had complaints that goods were being smuggled into this country. Not long ago our secret service men raided the offices of an importer, and discovered that he had blank invoices, properly endorsed by the exporting firm, and sworn to. He took these blank invoices, filled them in, and went to the customs and tried to pass his entries on them. It is manifest that we must have

some power to catch those chaps. I think my hon. friend will admit that.

Mr. COOTE: I was just trying to find out, Mr. Chairman, what power the minister or his officers had to place an arbitrary value on imported motor cars. I must say I have not yet found out.

Mr. CAMPBELL: Mr. Chairman, the minister's explanation in this regard is not very satisfactory. Surely the officers of the department have some means of arriving at the prices of imported goods without resorting to arbitrary action. Surely the price lists of motor cars, for instance, are available to them. Reverting to the point raised by the hon. member for East Peterborough (Mr. Brethen), is it not a fact that even where the valuation of an imported automobile is agreed on, where in fact there is no dispute as to price, five per cent is added to that price before the automobile is assessed for duty? That is, all invoice prices are increased to the extent of five per cent. Is that not so?

4 p.m.

Mr. ROBB: It may be.

Mr. CAMPBELL: But is it not an arbitrary ruling of the department? I am not quite clear what the minister says as to this.

Mr. ANDERSON: Is not the sales tax in the country of origin added to the import price for customs purposes?

Mr. ROBB: Yes, that establishes the fair market value of the article in the country of origin.

Mr. LADNER: I understood the minister to say that the law as it stood requires the valuation to be based upon the fair market value of the imported article in the country of origin. My understanding was that valuations are based on the home consumption.

Mr. ROBB: Yes, the home consumption value in the usual and ordinary course. That, I should think, means the fair market value.

Mr. CLARK: Mr. Chairman—

Mr. ROBB: If hon. gentlemen desire me to take up their time and read the Customs Act I shall be very glad to do so, but I would suggest that they get the act and read it for themselves. I would refer them particularly to sections 41, 42, 46 and part of 47, which prescribe the powers of the minister and officers of the department.

Mr. FORKE: Mr. Chairman, there seems to be a good deal of confusion in respect to this matter and it has not yet been cleared up. In fact, no one yet knows exactly how these duties are assessed upon articles that are imported. For instance, take a motor car advertised in the Saturday Evening Post at $1,800. It should not be a difficult matter to add the luxury tax and specify the rate of duty that applies. Is that done?—that is the point. Or does the officer simply make an arbitrary valuation and assess the duty? There is no use denying the fact, Mr. Chairman, that there is a suspicion in the public mind that the customs officers are charging more than the import duty—if 35 per cent is not enough, put on 50 per cent. Of course, I am not advocating any such rate of duty. But let us know exactly where we stand. That is the way we look at it.

Mr. CAMPBELL: Mr. Chairman, the minister has admitted that five per cent is added to the price. I should like to know on what authority this is done. If I import an automobile valued at $2,000, I find it is assessable for duty at $2,100. Where does the minister get authority to add $100 to the price of that car for the purpose of assessing the import duty?

Mr. ROBB: I understand the five per cent is added for the home consumption price. Answering my hon. friend from Brandon (Mr. Forke), I do not know anything about advertisements in the Saturday Evening Post or any other paper, but the prices there advertised need not mean the fair market values or the prices for home consumption. My hon. friend has had too long experience to believe that. For instance, departmental stores advertise goods at certain prices, but it is well known that this is simply a drawing card to attract customers, and does not always mean that those are the fair market or home consumption prices. It is the duty of the customs officers, representing the people of Canada, to investigate whenever they are in doubt concerning the actual selling price in the country of origin of the article imported.

Mr. LEWIS: It was stated a few minutes ago that one hundred per cent is added in arriving at the import value; and yet the minister said only a short time ago that in applying the dumping duty his department was limited to a range of fifteen per cent. Is that ever exceeded?

Mr. ROBB: I am telling my hon. friend what the law provides. If any hon. gentleman has a case to submit where officers of the department have exceeded that range, I shall be glad to have it investigated.

Mr. CAMPBELL: Where does the minister get authority for adding 5 per cent to the import price of an automobile? If I go to the United States to-day and buy a car for $2,000, the regular selling price, I find I am assessed for duty purposes on a valuation of $2,100. I am anxious to find out where the minister gets authority to do that. Twenty-one hundred dollars is not the price for home consumption.

Mr. ROBB: I am told by my officers that this is done under section 41, which establishes the fair market value:

> Such market value shall be the fair market value of such goods in the usual and ordinary commercial acceptation of the term and as sold in the ordinary course of trade, provided that a discount for cash for duty purposes shall not exceed 2½ per cent, and shall not be allowed unless it has been actually allowed and deducted by the exporter on the invoice to the importer.

Mr. CAMPBELL: Mr. Chairman, that gives the minister no such authority. Two thousand dollars is the price at which that car can be purchased at any place in the United States; there is no question about that. Yet I find $100 is added to that price.

Mr. KELLNER: According to the report of the commission which investigated the alleged fruit combine last year, those prices are not arrived at at all by means of the act, but by regulations passed by the department. I have before me a long list of these regulations which the department has passed. The fair market price would be arrived at by what is presumed to be the selling price in the United States, regardless of whether the goods were bought for cash or credit. No matter whether it is fruit or manufactured articles you are importing, the importer in Canada should be assessed on the wholesale price of the article, and if he is paying cash for it, it should be on the cash price. But according to these regulations he would be assessed on the credit selling price. I do not think there is any question but that if the department is allowed to make regulations fixing these prices, the act does not amount to anything, for the regulations are the governing factor, and not the act at all.

Mr. GOOD: I think the minister ought to give us some satisfaction in regard to this question. Let me put a case to him. Supposing I go to the United States and buy a second-hand car for $100, and present a sworn certificate to the customs officials that that is all I paid for it. Would the officials have the right to say to me, "No, we cannot accept that price; we must charge you duty on a valuation of $200"? Would that be possible under the regulations?

[Mr. Robb.]

Mr. ROBB: That is an imaginary case my hon. friend is bringing up—

Some hon. MEMBERS: No, no.

Mr. ROBB:—although it is in common practice to a considerable extent. We know there is a vast organization that steals automobiles, and brings them into Canada and offers them at a low price. These fellows are crooks to start with, and anything is a price to them. I would ask my hon. friend, are the customs officials not justified in watching that sort of commerce?

Mr. CAMPBELL: Is a man assumed to be a thief if he brings in a cheap motor car?

Mr. ROBB: Certainly not, but there are men in prison to-day who have been convicted of stealing automobiles and bringing them in here and selling them at a low price.

Mr. GOOD: The minister is evading the question. I say that if a man bought an automobile in good faith for $100, and certified to the department that that is what he paid for it, would the officials have the power to charge him duty on a valuation of say $200?

Mr. ROBB: I understand the procedure is this: They take the list price of the automobile and allow so much for depreciation each year—they know the year the car was made—and in that way they arrive at the value.

Mr. GOOD: An arbitrary valuation.

Mr. LEWIS: In that case the fifteen per cent maximum does not apply at all.

Mr. EVANS: In the case cited by the hon. member for Brant (Mr. Good), is not the trade discount taken into account according to the status of the importer? If the importer is a dealer, the whole amount of the trade discount is allowed, and duty is not charged on it, but if under the Canadian rules of the distributing combine, which is recognized in the Tariff Act of Canada, the importer happens to be a consumer, no trade discount is allowed. That trade discount sometimes amounts to fifty or sixty per cent. I think that would perhaps answer the question of the hon. member for Brant.

Mr. CAMPBELL: I am not at all satisfied as to this 35 per cent, and I think the minister ought to give us some better explanation, particularly with reference to automobiles. It simply means the importer has no protection at all. The consumer is paying 35 per cent duty, and if the minister thinks 35 per cent is not sufficient, let him increase the duty and make it 37 or 37½ per

cent, or whatever is necessary. Let us know what it means. When I buy a car anywhere in the United States for $2,000, and I find I have to pay on a valuation of $2,100, I maintain the department is getting money out of me by subterfuge. It is a dishonest practice, something that would not be tolerated in connection with any other business in the country. Surely the department can be open and above-board and put on sufficient duty if they think 35 per cent is not enough. Let us know precisely just what we are obliged to do.

Mr. LADNER: Under the original proposal, which properly and frankly placed in the hands of the minister power to fix a value so as to protect a similar article in Canada, the importer knew exactly where he was at. Under the old practice the value of the article, let us say a second-hand motor car, was supposed to be the home consumption value, but when you buy that car on the market in Los Angeles for $400 or $500 and bring it up to Canada, by some method or another the customs officials arrive at the value of that car by estimating depreciation over a series of years. That depreciation is calculated arbitrarily so as to make the value for duty purposes in Canada such as to give protection to similar articles produced in this country. I am in favour of protecting the articles produced in this country, but what I am putting to the minister is this: Under what authority or by what provision of the law have the officials of the department the right to fix a depreciating value instead of taking the actual home consumption value?

Mr. ROBB: They are working under sections 41 and 42, which authorize them to determine the fair market value.

Mr. LADNER: I am pointing out to the minister, and I do not think he will deny, that the officials do not fix a fair market value. The fair market value is a question of fact to be determined from the evidence on the spot where the markets are. In this case it would be the price of cars in California. What they do is to put an arbitrary value on the car, and I believe they do it without authority. I am asking the minister if they have authority, and whether it would not be better—I think it would be much more honest to the people of this country—to maintain the provision he is now proposing to repeal, and give power to the minister to put a value on the imported goods. I would like my question answered—whether the act gives authority to anyone to make an arbitrary discount each year for depreciation, instead of taking the home consumption value.

Mr. ROBB: I have only to answer my hon. friend again that the officials are operating under the clause which empowers them to determine the fair market value. There is also a provision in the Customs Act—I have not the clause before me at the moment—for an appeal to a board of arbitration.

Mr. CLARK: I am not clear as to the meaning of the words "the value thereof for customs entry." I understand the article would be valued at the home consumption value now. Under the proposed section will the article be valued according to the home consumption value, or according to the value in the market where purchased, or will it be valued arbitrarily by the opinion of the customs officials? It must be one of the three.

Mr. ROBB: It is arrived at under the terms of the Customs Act.

Mr. CLARK: What are the terms of the Customs Act as to "the value thereof for customs entry"? What do these words mean? I am putting three propositions to the minister, and it must be one of the three, I should think.

Mr. ROBB: My hon. friend misunderstands me, that is the clause I am striking out.

Mr. GOULD: I should like to ask the minister what law he would invoke if, as a result of wheat in the United States being ten cents per bushel lower than Canadian on the average, as it was this year, if the millers of Canada could take advantage of that lower price to import American wheat and use it in their mills?

Mr. ROBB: My hon. friend, who is a grain man and I believe knows as much about the grain trade as anybody, in Canada, must be aware that under the act, as it now is and has been for many years past, the millers of Canada can import wheat from the United States just the same as American millers can import Canadian wheat and mill it in bond for export.

Mr. GOULD: One of the reasons why it would not have been economical to do that in the past is that this is the first year that Canadian wheat has been quoted at a higher price than American wheat. This new condition has obtained since the harvesting of the crop of 1924-25 for the first time in our history. I am not asking that the dumping law should be enforced, and therefore am

showing generosity from an agricultural point of view; but some consideration should be given to the other questions which have been raised by other hon. gentlemen. If the condition referred to is going to continue, will there be any medium by which there might be a levelling up, in the case of Canadian millers importing American wheat and grinding it in this way?

Mr. ROBB: Everybody knows that in the markets of the world wheat as a commodity is on a parity with gold.

Mr. GOULD: True enough, but in all past years American wheat has been on the average ten cents a bushel higher than Canadian wheat.

Mr. ROBB: I will not admit that there is that difference in the quality of the wheat.

Mr. GOULD: We know the lower quality of the American wheat, yet in the past it has been quoted at from ten to twenty cents a bushel higher than our good Canadian wheat. Now the price of American wheat has in every year up to 1924-25 been on the average ten cents a bushel higher, which made a disparity of twenty or thirty cents as compared with Canadian wheat. This creates a condition which may result in Canadian millers importing American wheat and grinding it in this country.

Mr. ROBB: If the Canadian miller imported American wheat and it came under the dumping clause he would have to pay the penalty.

Mr. GOULD: Have the dumping duties ever been applied to wheat coming in under these circumstances?

Mr. ROBB: Not to my knowledge. I should like to advise hon. gentlemen that when they have complaints, as some of them seem to have, as to the determination of the valuation, the Customs Act already provides for those complaints being brought to a proper tribunal. If the importer is dissatisfied with the appraisement the act provides that he may appeal. I will read the section in question so that it may appear on Hansard:

> Except as in this act otherwise provided, if the importer, owner, consignee or agent, having complied with the requirements of this act, is dissatisfied with the appraisement of any such goods made by the appraiser hereinbefore mentioned he may, within three days, give notice in writing to the collector of such dissatisfaction, on the receipt of which notice the collector shall at once notify such importer, owner, consignee or agent to select one disinterested and experienced person familiar with the character and value of the goods in question, and the collector shall select a second person with similar knowledge and notify such person, importer, owner, consignee or agent of such appointment.

And then they proceed to deal with the case.

Mr. MEIGHEN: The minister knows that clause would never apply to section 47(A). That clause could never apply except that the principle of valuation were declared by statute. But under section 47(A) all principle of valuation is swept away, and the minister is put in power—clear, despotic power—over everything. All he need do is to express his will on any principle at all. Consequently the appeal could not apply because the appellant would have nothing to go on. This government has swept away the protection of parliament and assumes the whole authority itself, all in the name of "responsible government".

Mr. WOODSWORTH: May I call attention to a case which, perhaps, illustrates one difficulty in determining what the fair market value of an article is. The matter itself is very small. There were some books advertised by the Haldeman-Junius Company, Girard, Kansas, a series of books ordinarily sold at ten cents but reduced for a certain fixed period to five cents per copy. A Canadian wrote away for a number of these books and found that he was charged a heavy duty. He wrote about the matter and received this explanation:

> It would appear that these books are paper bound and are therefore subject to duty at the rate of 25 per cent ad valorem under tariff item 169. The books were invoiced to the purchaser in Canada at six cents each, and the collector raised the value to ten cents per book, in view of the enclosed advertisement from the Toronto Mail and Empire.

It would seem a rather arbitrary and far-fetched interpretation to raise the value of these books from six to ten cents simply because they were being sold at a bargain for a limited period. I should like to ask whether this is a correct interpretation of the act according to the minister?

Mr. ROBB: My hon. friend had better make application to the customs people about that.

Mr. WOODSWORTH: I have read from the interpretation of the customs officials. This case would seem to me to illustrate the point at issue, that there is an absolutely arbitrary power given into the hands of the officials of the department when the price of books invoiced at six cents each can be arbitrarily raised to ten cents simply because it is claimed they are offered at a bargain.

Mr. RYCKMAN: I am unwilling that the hon. member for Mackenzie (Mr. Campbell) should worry about that $100 on his $2,000 car if I can relieve his doubts. I think that $100 just represents the five per cent sales tax imposed by this government. The United States government is very careful to impose the sales tax in considering the value for entry into that country, and I think it is quite proper that this country should also do so. With regard to the $100 second-hand car there is a market in second-hand cars, a very substantial one, in this Dominion, and if a member of parliament can go over to the United States and buy a hundred-dollar car—I do not know really what it would be like, I would imagine it had been stolen—and then come back and tell his friends what a great bargain he had got, I do not see why, considering the regulations in force in this country and the home market there is in second-hand cars, he should not be willing to pay the duty which Canada imposes on the right value of that car. I should like to say a word to the minister in commendation of this dumping legislation, and I wish that it could be made more effective. There is a very recent case where an order to the value of about $30,000 was wanted in Canada. The United States manufacturers were altogether unwilling to break their price lists in the United States or to quote a lower price than they were asking in their home market. But being very anxious to avail themselves of a chance to make a deal of this kind they quoted the Ontario buyer a very much lower figure. The matter was taken up with the Customs department. It only required a little investigation—and I wish to compliment the minister upon the working of the department in this case at least—to disclose the facts of the case. It was very soon ascertained that all these people wanted to do was to get rid of their surplus; that while they were unwilling to break their prices in the United States they were eager to make quotations upon and offer the same goods for sale in Canada. Between $5,000 and $6,000 would have had to be paid in additional duty if the goods were imported into Canada. When that fact was discovered the goods were not imported. The result is that workmen in Canada are engaged at this very minute in manufacturing the articles which the United States manufacturer tried to sell by quoting in Canada a price he would not quote in the United States.

Mr. CAMPBELL: I do not think the hon. member intended to mislead the House, but he has a wrong impression entirely of the case I quoted. With regard to the automobiles, the five per cent is not the sales tax. There is a five per cent arbitrary assessment over and above the value of the car. Take the case of the car valued at $2,000. The department adds $100, which is five per cent, and makes the price $2,100. Thirty-five per cent duty is assessed on that, which makes $735, bringing the price to $2,835. The sales tax is assessed on $2,835.

Mr. ROBB: Perhaps my hon. friend is not aware that there is an excise luxury tax in the United States, and that accounts for the $100.

Mr. CAMPBELL: That is the difference in the value of the car. The person buying the car does not have to pay that. There is an export tax which is not paid by the purchaser of the car at all.

Mr. ROBB: That establishes the home consumption price when he adds the $100 excess tax.

Mr. CAMPBELL: That is the purchase price; the department here adds $100 or five per cent.

Mr. ROBB: But if he were a United States citizen he would have to pay the $100 excise tax and that establishes the fair market value for home consumption in the United States.

Mr. HOEY: The luxury tax applies only to cars in the United States selling over $1,200—

Mr. ROBB: He (Mr. Campbell) is quoting a $2,000 car.

Mr. HOEY: —and our duty is imposed on the price of it, plus the luxury tax which the purchaser in the United States has to pay.

Mr. CAMPBELL: I am not satisfied with the minister's explanation. The $2,000 in this case includes all the cost in the United States, but there is an export tax in the United States which I understand the individual importer buying the car does not have to pay. The department takes hold of that and raises it a little above the thirty-seven per cent.

Mr. COOTE: I think the way the duty is collected on automobiles at the present time is wrong. It may be in accordance with the letter of the law, but it is hard to believe that such is the case. Take the case of a car costing $1,000 in the United States. The purchaser of that car in the United States would have to pay the five per cent tax that would make the price $1,050; and that is the value taken by the department here when a car is imported; so that an individual purchasing a car in the United States and bringing it in-

to Canada pays a duty of $367.50, whereas the dealer in Canada, when he purchases several cars in one shipment, is not required to pay duty upon that five per cent. If he imports a car sold retail for $1,000 in the United States, he will bring that car into this country at a discount of probably twenty-five per cent. That is, those cars would be valued at $750, and he is not charged any extra five per cent, so that he pays $262.50 customs duty as compared with the $367.50 paid by the individual, I do not think that is right. The same thing I am told applies to the sales tax and to our excise tax. The individual would pay in sales tax and excise tax a total of $141.75, while the dealer would pay on the same car $101.25. I think the law as administered is working out very unfairly and I do not think this practice is in accordance with the act.

Mr. ROBB: I imagine my hon. friend has given a correct view of the trade conditions, but I imagine also that the price which the Canadian dealers pay is the same price as the United States dealer would pay, and the price charged a Canadian for one car is the price paid in the United States by the man who buys one car.

Mr. COOTE: It may be what he is paying for it, but is that the fair price for home consumption?

Mr. ROBB: Anybody buying a like quantity in that country would be entitled to the same rate.

Mr. COOTE: With regard to the power of the department, I understood the minister to say that there was a section in the act which allowed for an appeal in case a man thought he had been overcharged in connection with an automobile or anything else. I understand it is the practice of the department to issue an appraiser's bulletin, showing the value of all makes of cars, and showing the valuation which would be placed on second-hand cars and cars which had been used. Surely that is an arbitrary power, and that is done under a bulletin issued by the department. It would not be any use to make an appeal if a man thought he was overcharged when they charged him according to the value fixed in a bulletin issued by the department.

Amendment agreed to.

On resolution 2:

The CHAIRMAN: Does the committee wish me to read all these items?

Some hon. MEMBERS: No.

Mr. STEVENS: If the minister would take those items in the schedule one by one that would be sufficient. I do not ask that the minister read all the items now.

Mr. ROBB: My hon. friend can take up any one of them he wishes.

Mr. STEVENS: Would the minister give to us the existing rate of duty in each case as we come to it. I wish to discuss one or two of them.

Mr. ROBB: What items does my hon. friend wish to discuss?

Mr. STEVENS: Would the hon. gentleman give me the existing duty in items 101a and 101aa.

Customs tariff—101a. Shaddocks or grape fruits, n.o.p., per hundred pounds: British preferential tariff, 50 cents; intermediate tariff, $1.00; general tariff, $1.00.

Item agreed to.

Customs tariff—101aa. Shaddocks or grape fruit, when imported from the place of growth, by ship, direct to a Canadian port, per one hundred pounds: British preferential tariff, free; intermediate tariff, 50 cents; general tariff, $1.00.

Mr. ROBB: There is a change in the second, putting it on the free list if it comes into a Canadian port, but there is no change in the other.

Item agreed to.

Customs tariff—453e. Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise: British preferential tariff, 10 per cent; intermediate tariff, 12½ per cent; general tariff, 15 per cent.

Mr. STEVENS: This is a very substantial reduction, I understand.

Mr. ROBB: The present rates run along in order. They are: British preference, 15 per cent; intermediate, 25 per cent; and general, 27½ per cent. We propose to reduce them to 10 per cent, 12½ per cent and 15 per cent respectively. The estimated reduction will be about $15,000. There was imported for consumption, of engines, internal and combustion, during the fiscal year ending 31st March, 1924, $225,521. It was estimated that not more than one-half of these imports would be entitled to entry under this item.

Mr. STEVENS: I have seen some correspondence in regard to this matter. There are, I think, three different concerns in Vancouver—and I know this affects others in Victoria, New Westminster and eastern Canada, but I am speaking more particularly of the Pacific coast—that have been manufacturing these engines for some time. I have in mind two concerns that have been established for some twenty-five years,

gradually building up their business. They have succeeded in establishing themselves well and they have been building an engine that has been giving excellent satisfaction. So far as I am aware, there has been no demand for a reduction in the tariff and no complaint regarding the price of these goods. I am quite aware that, perhaps, individuals, in view of this reduction, might say to the minister that it is a good thing from their standpoint as purchasers. But I want to point out to the committee what invariably follows in a case like this. When these three or four concerns at the coast, for instance, manufacturing these articles, are put out of business, as they will likely be as a result of this, and cease to manufacture, the firm in the United States or elsewhere, marketing their goods on a market that will be free from the competition of the home manufacturer, will raise the price and there will be no advantage to the consumer at all. Had there been some abuse of the tariff, had these local concerns been extracting some exorbitant price or not been giving satisfaction, or had there been some general complaint or suffering, there might have been an excuse. But in the twenty-five years or more that I have been acquainted with these manufacturers and with the business, I do not know of any form of complaint warranting a reduction. This is going to have a very serious effect upon these industries. The result will be throwing an additional number of men out of work and on the labour market. On the Pacific coast more than in eastern Canada we have been striving to build up and establish industries that are either directly or indirectly based upon our natural resources, and it must be clear to any fair-minded person that it takes a considerable period of time, especially where you have a sparse population, to develop such an industry. It is also clear from experience that if such an industry is stifled in its infancy or when it is comparatively small, that market receives no advantage since the importer or manufacturer in another country has the local competitor eliminated. Personally, I am exceedingly sorry that the minister has included this in his deductions. I wish the minister would state the grounds upon which this step was taken, if he can do so.

Mr. ROBB: My hon. friend will recollect that last year we made some concessions to the producer on the land, lumber mills, mines, and it was represented to us that we were going to put a number of industries out of business. That, however, has not been the result. Some of these industries are in just as good shape as they were before. This year it was represented to us that we should do something for the fisherman, the man who goes out and risks his life, making his living by fishing. It is not any more the desire of the government than the desire of my hon. friend to put any industry out of business, and we have taken care of that. If my hon. friend will turn to item 1048, he will note that we are giving a rebate of 50 per cent of the duty on the raw material going into the manufacture of these engines, so that we believe the industry will be in a pretty good position even with the change.

Mr. COOTE: What is the rate of duty on small engines used on the farm?

Mr. KYTE: I am very sorry that the hon. member for Vancouver Centre (Mr. Stevens) takes the view he does with regard to the effort that the present government has made to relieve to some extent the burden which the fishermen of eastern Canada are carrying in connection with their business of fishing. When the very substantial reductions were made on mining machinery and other implements of production a year ago, it was felt that the government should have gone a little further and given the large and important element of our population who are engaged in fishing some slight advantage in the same direction. I am glad to know that the representations which were made by representatives of the Maritime provinces, and also by representatives of fishing constituencies on the Pacific coast to the Acting Minister of Finance (Mr. Robb) have borne fruit and that this substantial reduction has been made in the duty on gasoline engines. At the present time no fisherman can hope to carry on successfully the business in which he is engaged unless his boat is equipped with a gasoline engine. The time was when fishing boats were propelled by sails or oars, but that time has passed away. Boats are more expensive now than they were thirty or forty years ago. It costs more to build a boat in which a gasoline engine is installed than it did to build the boat that was propelled by sails. These considerations should have weight with the Acting Minister of Finance and they have had weight. There is no feature of the budget and no reduction in the duties bearing upon implements of production included in the budget proposals as brought down by the Acting Minister of Finance that will be more appreciated by the people of the Maritime provinces than the item under discussion at this moment. I should have been glad if the minister could have removed the duty entirely from gasoline engines. Not having been able to do that, he has taken

a step in the right direction, and his action in this regard will be highly appreciated amongst all fishing communities in the Dominion of Canada.

Mr. STEVENS: I now have some of the correspondence to which I referred and I would like to read it. This is a telegram from the Vivian Gas Engine Works, addressed to myself under date of March 25, immediately following the introduction of the resolution by the minister:

> We regard announced reduction duty fishermen's gas engines from twenty-seven and half to fifteen per cent as extremely serious in effect it will have on our business. Since commencing operations in 1909 and through financial assistance accorded us provincial Department Industries we have built up industry to-day employing average twenty-three skilled mechanics with payroll averaging seven hundred dollars per week. We are dependent for seventy-five per cent our business on orders from individual fishermen and while reduction in duty represents very little saving to those buyers in purchasing American engines reduction in prices which will be forced make to retain business simply means difference between profit and loss to us. We hope you will make strong protest and endeavour induce government refrain from proposed action in view its inevitable effect in curtailing our operations.
>
> Vivian Gas Engine Works.

I have also a telegram from Easthope Brothers, Limited. This concern has been built up in the most commendable manner from a small shop operated, I think, by a family of two or three brothers and the father, established many years ago, until it has acquired now a considerable standing and reputation. The business experienced for a number of years all the vicissitudes of a growing industry; the type of engines produced has changed in the last twenty years from two cycle to four cycle, and so on, and there have been many other modifications and inevitable alterations. They have kept pace with all these changes and have turned out an excellent engine. They say:

> Reduction in duty on American engines from 27½ to 15 per cent announced in budget literally means wiping out our industry as we are dependent for 90 per cent our business on sales individual fishermen. As you know we started business here in small way in 1890 and have gradually built our business up till to-day we are employing twenty-five highly skilled mechanics with average annual pay roll of not less than $50,000. We cannot possibly reduce our price to compete with figure at which American engines can be sold here under new tariff and only result will be that our employees with their dependents will be obliged go American side where engines which will be sold in this market in future are made. This is life and death proposition with us and we ask you protest in strongest possible terms on our behalf against announced reduction.

I have other representations as well. I appreciate what my hon. friend (Mr. Kyte) said a moment ago; there is perhaps some temporary advantage to be gained by a few individual fishermen. But I know that so far as the Pacific coast is concerned, where there are a great many fishermen who use this class of engine, we shall find that once the Canadian manufacturer is put out of business, as he will be as a result of this, any advantage that may accrue to the purchasers of these engines will disappear. And I doubt very much whether my hon. friend's constituents on the east will derive any advantage from this reduction. It may be that in eastern Canada some of the plants having a wider market may be able to meet the American price by some means or other, although I am not sufficiently qualified to speak in that regard. I will venture to say however that in many cases in the east there will be put out of business plants which have gradually developed in the manufacture of these engines; and once they are driven to the wall the fishermen will get no benefit from this alleged favour.

Last year when the question of a reduction in logging machinery was under consideration I predicted certain results; and in remarks I made early this session I pointed out that certain businesses in Vancouver had been seriously affected. The Minister of Public Works (Mr. King, Kootenay) in his speech declared that I had stated what was untrue, and he made a very strong attack on me on that account. I was unable to reply to him at the time. He read into Hansard a letter from a certain individual whom he described as a leading machinery manufacturer. I think my hon. friend (Mr. Tolmie) corrected him in this regard. I take this occasion to refer to the matter for the reason that unless I do correct the Minister of Public Works someone will probably say that the same argument applies to what I am advancing on behalf of Easthope Brothers and the Vivian Gas Engine Company and others. I want the minister and the government to take these representations seriously; it is the duty of the government to consider the welfare of all those who may be affected. If we could give concessions to certain groups, whether fishermen, loggers, or agriculturists, without injuring anyone else and without losing some decided advantage to the country in the way of industry, it would be a simple matter. But if in granting something which is alleged to be an advantage we at the same time put industries out of business and throw bona fide industrial workers on the street, we are doing an injury not only to these individuals but to the whole community, inasmuch as the effect will gradually work round to the very

class, such as fishermen, whom these reductions are supposed to benefit. I have here a copy of a letter which has already been placed on Hansard. I shall not read it at length but I wish to refer to it. It deals for instance with the effect of the tariff reductions on local manufacturers. In the case of the Britannia Wire Rope Company, it is shown that the amendments of last year have resulted in a serious curtailment of business, throwing a number of workmen out of employment. Let me cite an instance.

In the early part of 1924 the Canadian Sumner Iron Works and one other Canadian company were bidding on the entire list of equipment for one of the largest mills in the province, namely, that of the Victoria Lumber & Manufacturing Company of Chemainus. Before the bids were closed the tariff reductions of April 11, 1924, came into effect and the entire order, which would have represented business retained in Canadian plants of approximately $200,000 if placed with the local plant, was placed with the Diamond Iron Works of Minneapolis. That is an illustration of the effect of reducing the tariff. Here was an order of $200,000 lost to a Canadian firm; and there was no particular demand for the reduction in question. The same thing applies exactly to the item now before us dealing with gas engines. I am sure that the result will be a loss of business to Canadian firms and consequent unemployment; and further than that it will involve a loss of capital invested in these businesses. I will ask the minister to follow the good example which he himself set in dropping the dumping clause and leave this clause out of the list. If he does so he will win a good deal of gratitude from a very deserving people. It may be too late to make this appeal but I submit it to the minister anyway.

Mr. ROBB: I am afraid it is.

Mr. STEVENS: I am exceedingly sorry that the minister should take that stand.

Mr. EVANS: I am glad that the government has decided to take the duty off engines for fishermen, for if there is a class of men in primary production who need encouragement it is the fishermen, particularly those who are in business in a small way. There is no duty on raw fish. It is when this commodity gets into the manufacturer's hands for curing that the duty is put on. And there I find fault with the government to-day; they favour organized industry as against those who are engaged in primary production such as farmers and fishermen. Organized industry is protected all the way through, but nothing is done to make the cost of living come down. Regarding the contention of the member for Vancouver Centre (Mr. Stevens) that some of these concerns will be put out of business, I do not see why they should be. I do not see the use of trying to bolster up such an industry, because by their plea for tariff protection they admit that the finished article they produce is worth less than the raw material and the labour they put into it. There are plenty of vocations for Canadians to engage in, and if it is more profitable for our people to fish than to make gasoline engines, they will adjust themselves accordingly. I think the hon. member's contention is based on what over and over again has been proved to be a fallacy of the very first rank.

Mr. McISAAC: Mr. Chairman, why should the fishermen of the Maritime provinces be compelled to pay a higher price for an inferior article? Every fisherman will tell you that an American engine will last at least twice as long as an engine made in this country, because the former is built to better withstand the action of salt water. It is therefore the fault of such concerns as the hon. member for Vancouver Centre (Mr. Stevens) refers to that our fishermen will not buy their output. Then why should all the fishermen of Canada be penalized? If our manufacturers had the enterprise to turn out the right quality engine, they would find our fishermen would buy them in preference to the engine built by their American competitors.

Mr. STEVENS: May I correct my hon. friend in one regard? He says that the American engine will last twice as long as the engine built in Canada. That is not the case with respect to the engine turned out by the concern to which I have referred. Their engine has been demonstrated to be in every way satisfactory. The trouble is our manufacturers with a comparatively small market have to compete with the massed production south of the line. The same applies to the arguments advanced by my hon. friend from Saskatoon, which I will deal with in a moment or two.

Mr. McISAAC: I do not know about British Columbia engines, but I do know that what I have said applies to engines purchased in the Maritime provinces.

Mr. SNOWBALL: I desire to commend the Acting Minister of Finance (Mr. Robb) for the reduction he has made in the duty on gasoline engines for use by our fishermen. This will be a boon to the fishermen in the Maritime provinces. I am not conversant with gasoline engines manufactured on the

Pacific coast, but I do know that the engines manufactured in the Maritime provinces are not equal to the engines that can be procured by our fishermen across the line. If our manufacturers wish to secure and retain business in the Maritime provinces, they must pay more attention to turning out an engine that is adapted for use in salt water—that is, for the work our fishermen are engaged in.

Mr. LADNER: Will the hon. gentleman tell us in a practical way to what extent a fisherman in the Maritime provinces would benefit in dollars and cents by buying an American engine, and how long that engine will last for his work?

Mr. SNOWBALL: I am not a fisherman and therefore cannot give a practical answer to my hon. friend's question. Members interested from the Maritime provinces may be able to deal with the matter more specifically. I may say, however, that fishermen have told me that the engines they buy in the Maritime provinces have lasted only four or five years, whereas similar engines purchased across the line have been giving satisfactory service for fifteen or sixteen years and are still going strong.

5 p.m.

Mr. ROSS (Kingston): What engines of Canadian make have failed?

Mr. SNOWBALL: The ones I refer to are manufactured in the Maritime provinces, at New Glasgow, Charlottetown and, I think, Yarmouth.

Mr. MARTELL: May I call the hon. member's attention to the fact that in certain parts of Nova Scotia the fishermen imported engines from Ontario, made by a certain firm called Adams at Penetanguishene, but they did not last two years in salt water.

Mr. ROSS (Kingston): What was the name of the engine imported from Ontario?

Mr. MARTELL: It was manufactured by a company, formerly known as the Adams Company, at a place called Penetanguishene, or some such name, in Ontario.

Mr. SNOWBALL: I wish I were an expert, Mr. Chairman, so that I might satisfy my hon. friend. I am voicing the sentiments of the fishermen in my constituency, who tell me that they should have had this reduction granted to them last year when the duties on agricultural implements and machinery used in lumbering were reduced. However, I am glad that this boon has been granted to them at last. Every year it is becoming more important that our fishermen should get further out from shore in following their business, and it is necessary that they should have their boats equipped with reliable gasoline engines so that when a storm comes up they may get back to shelter as quickly as possible; in fact their lives may depend on the efficiency of their engines. These men have told me that they should be able to buy the American engine, and they have asked for this reduction time and again; indeed, they would like to see the whole duty removed. I cannot see why any of our manufacturers who have been producing a satisfactory type of engine cannot continue to prosper under the small reduction of duty now proposed. We heard a great deal during the past year of the disaster that would befall the manufacturers of farming implements as a result of the reduction of duty on their output, but I do not think any hon. gentleman can name a single one that has gone out of business since that reduction went into effect. And I shall be very much surprised if, when we return to this House next session, the hon. member for Vancouver Centre will be able to tell us that owing to this reduction in duty the manufacturing concerns that he has referred to have been driven out of business. If they are manufacturing as good a type of engine as their American competitors, I am sure they will be in business for many years to come. Certainly I hope they will not go out of business, simply to demonstrate the fact that they are not able to manufacture a real highclass engine and hold their own with the engine turned out by their competitors in the United States.

Mr. SUTHERLAND: Mr. Chairman, the debate on this resolution so far indicates that the old subject of protection versus free trade is going to be discussed all over again. My hon. friend who has just taken his seat (Mr. Snowball) says he cannot understand why the Canadian manufacturer cannot carry on under a low tariff or no tariff. I think the Acting Minister of Finance (Mr. Robb) gave a good illustration why in connection with the dumping clause of the Customs Act, dealt with a few minutes ago when he pointed out that on a certain date last year about a million pounds of butter, or forty carloads, had been imported from the United States at a time when the market there was glutted, and butter prices went down, but they went up there as soon as the surplus was dumped on our market. That very thing is happening all over this country, and is, I believe, responsible for the demoralized condition of trade which we find throughout the Dominion to-day.

The question of the quality of some article which is manufactured in Canada arises, and we often hear it said, "Oh it is not of any use; it is not as good as it should be. If we could get something from some other country it would be very much better." We have heard that complaint time and again during the present session and in previous sessions. I do not like to hear that said of things which are grown or manufactured in Canada. I know that we are under a handicap in this country living alongside a very great and powerful neighbour which has seen fit to establish a very high customs tariff. When they have a surplus of anything in that country, rather than have their market break, or fluctuate they get rid of that surplus somewhere else, and that is the very thing that is happening in this country at the present time. The minister in connection with the dumping clause touched the crux of the whole situation. When forty carloads of butter are dumped into this Dominion, which should be able to produce enough butter to supply the small population we have, you can see here the very thing the people of this country are up against, and that is the very thing the manufacturer of these engines will be up against if you lower the tariff to the degree proposed under this resolution. I think it is a most dangerous course to pursue, but it is evident the government are determined to proceed step by step until they gradually reach their objective. We heard minister after minister last session get up in the House and express the hope that the step then taken indicated the ringing of the death knell of protection. To-day we have had the chief whip of the government party get up in this House and say he would gladly have welcomed the abolition of the whole tariff in connection with the articles coming in under this item, namely gasoline engines, but that it was at all events another step in the right direction, and consequently it was welcomed. Now if the government believes this is a good thing for the fishermen and others why not go the length and abolish the whole tariff? Rather than proceed step by step, why not go the whole way at once? Is it another case of the Indian who was going to cut the tail off his dog, and decided to do so by cutting off an inch at a time so that it would not hurt so much? Is the government attempting to strangle industry in this country by degrees, and then come back here later on and say: Some of these industries have survived, so it cannot be as disastrous a step as the members of the opposition were predicting. Why not come out in the open and indicate what you intend to do? Do not be everlastingly harping upon this "step in the right direction". If you believe it is a good thing, have the courage of your convictions, and introduce a measure which means what you intend to do, rather than adopt this slow process of strangulation.

I regret to hear so much about the inability of Canadians to manufacture goods that are the equal of those manufactured in the United States or elsewhere. So far as gasoline engines are concerned, I want to say that the manufacturers in this Dominion are competent to manufacture, and do manufacture gasoline engines, equal to anything that has been manufactured in any other country. We demonstrated during the war in the way of manufacturing munitions what we were capable of doing, something that the people did not believe it was possible for us to do. Rather than discourage our people, I think this is the time when it is necessary to come out and encourage them to carry on and to put forth their maximum effort. Surely that is better than trying to frighten them and make them believe that even worse things are coming, and that if they have any capital they had better keep it out of business which ought to be employing people in this country. It is just another example of what has been going on for the last year or two, resulting in our workmen having to cross the line to find employment, and manufacturing over there the things that are required in this country, and many of these things manufactured by our own people in a foreign country come into competition with the goods produced in this country, under great difficulties which are continually increasing as a result of legislation similar to this resolution.

Mr. ROBICHAUD: My hon. friend from South Oxford (Mr. Sutherland) has made a brave attempt to compare the dairy industry in this country to the marine motor industry. While I do not profess to be an expert in marine motor engines, yet I was very much interested in the questions asked by some of the hon. members opposite of my hon. friend from Northumberland county (Mr. Snowball). It has been demonstrated that the life of the American-made motor is of longer duration than the Canadian made motor, and I believe that is true. I have often asked myself the question why our Canadian manufacturers cannot manufacture as good an engine in Canada as they make in the United States, and in my humble opinion it is on account of our protective tariff. I truly believe that if the field were wide open, if our American competitors were allowed to sell their engines in

Canada in open competition with the Canadian made article, our Canadian manufacturers would manufacture a better engine.

It has been asked where those engines of little duration were manufactured, whether in Ontario or Nova Scotia. I believe the Ontario engine is by far the poorest machine made in Canada, and that the engine manufactured in Nova Scotia is by far the best. The life of an engine, of course, depends entirely on the treatment it receives at the hands of its owner. One might be made to last for ten or fifteen years at the very most, but the average life of the Canadian made engine, is I believe ten years, whereas that of the American made engine would be not less than fifteen years.

Our fishermen have come to a point where they must equip their fishing boats with gas engines. In my constituency we have a very extensive fleet, known as the Caraquet fishing fleet, and the time has now come when these fishermen must equip their schooners with gas engines. The question has often been put by these fishermen: How long will these engines last? And when they were told they would last only eight or ten years at the most, they thought it was a poor business proposition. Then the question of buying American made engines was put up to them, and another objection was made by our fishermen, that the American made engine was by far too expensive because it was struck by a 35 per cent duty. Now with this reduction in the tariff I believe our fishermen will be in a position to buy the American made engines to equip their schooners, so that they can cope with the American fishermen.

It has been stated that our fishermen should not be a preferred class. Why not, when they are suffering more than any other class in this country on account of the high tariff of the United States? Then again it might be stated that a high tariff is a good thing to protect the fishermen. I say not. In 1922, in the month of September, I think, I reached the New York market with four carloads of fresh fish. I had shipped them with a view to dodging the Fordney tariff. Unfortunately the fish were shipped in bond, and when they arrived in New York I was called upon to pay a tariff of 2 cents a pound. I went down on the fish pier to see if these fish could not be sold, and while I had to pay a duty of 2 cents a pound, the American fishermen were dumping the same class of fish on the same pier in the same fish market, for 1½ cents a pound. That clearly demonstrates that protection after all does not protect the producer, but is simply a tax on the consumer.

[Mr. Robichaud.]

Mr. LADNER: I wanted to ask the minister, or perhaps the hon. member for Cape Breton South and Richmond (Mr. Kyte), if he could give me information in the first place as to what the duty on engines is today?

Mr. ROBB: I gave that information to the committee earlier in the afternoon, but perhaps my hon. friend was not here then. The hon. member means the engines that are now under consideration?

Mr. LADNER: Yes.

Mr. ROBB: Prior to the date of the presentation of the budget the rates were: 15 per cent, 25 per cent and 27½ per cent. The new rates are: 10 per cent, 12½ per cent and 15 per cent, and as a concession to the manufacturers we are giving them a rebate of 50 per cent on certain raw materials that enter into the manufacture of these engines.

Mr. LADNER: Now could the minister, or the hon. member (Mr. Kyte), tell us how much an engine costs?

Mr. KYTE: It depends entirely upon the horse-power.

Mr. LADNER: Well, one with the customary horse-power?

Mr. KYTE: From $200 to $400.

Mr. LADNER: And the hon. member for Northumberland (Mr. Snowball) informs us that a good engine will last sixteen years. Now that engine may be bought in Canada or in the United States, and there is compensation in either event. If bought in Canada the engine will have been manufactured here. If bought in the United States we shall have the revenue from the duty and we need the revenue. I think the Acting Minister of Finance will agree with me in that.

Mr. ROBB: Yes, I will agree with the hon. member in that.

Mr. LADNER: Now 25 per cent of $300 —taking the central figure of the three which the hon. member gave—would be $75. It is proposed to reduce that by $37.50. Hence the reduction that will be given to the fishermen if you distribute the $37.50 over a period of ten years will be $3.75 per year. That will be the amount which the fishermen will contribute to the tariff revenue of this country. On the other hand there is the desirability of retaining in the country all the industries to which the hon. member for Vancouver Centre (Mr. Stevens) referred. Now, to what extent—taking the complete operations of the fishermen for a period of ten years—

taking his capital investment, what he earns and what he spends—is $3.75 going to affect him? He will never notice it.

Mr. ROBB: Now will my hon. friend just follow out his argument and calculate the extent to which the 50 per cent reduction on raw material which we give is going to affect the manufacturer of engines.

Mr. LADNER: It gives a certain advantage to the manufacturer, but we have here under their own signatures the statements of responsible firms in Vancouver, who presumably know their business, and they say "If you make these reductions, and make further reductions, you are going to put us out of business."

An hon. MEMBER: Do they not all say that?

Mr. LADNER: Yes, they all say it and the industries of the country are being put out of business. Everybody knows it, and the government will know it too when the general elections come.

Now, Mr. Chairman, the hon. member for Saskatoon (Mr. Evans) gave us the benefit of some theories on free trade. The trouble is there is too much theory talk. We have here an actual condition. The duties on engines, which affect the fisherman only to the extent of $3.75 a year, are being reduced and in doing that the government will not only put out of business these two, three or more industries in the city of Vancouver, as well as others elsewhere in Canada, but they will cause people with capital to invest to ask themselves whether it is desirable to invest in Canadian industries in view of the uncertainty of the policy which the government follows—taking two steps forward one year in a downward direction and another step in another direction; then next year it may be half a step, or two steps, again in the direction of lowering the tariff. Looking at this matter from the point of view in which a business man would look at it, is it in the interests of this country to save the fisherman $3.75 on his capital investment in the fishing enterprise and put out of business the manufacturers of these engines? Is it wise to force these people who have put their capital into the business to lose it; and worse still, is it wise to create such fear in the hearts of people desirous of investing capital in industries in other parts of Canada that they will refrain from taking that step?

Mr. MARTELL: Is it not a fact that the things which are used by fishermen generally, even the luxuries, pay the highest pro rata duties into the treasury, at any rate duties much higher than the average manufacturer pays?

Mr. LADNER: I do not think that is correct at all.

Mr. MARTELL: I think it is.

Mr. KYTE: The comparison the hon. gentleman has addressed to the House in regard to the saving to a fisherman by a reduction of the duty has reference to only the boat that has been built and the engine purchased. My hon. friend has left out of account the number of boats that will require to be built from year to year upon which there will be a saving of $37.50 in the case of each engine costing $300. Now, in the Maritime provinces we are endeavouring to develop our fisheries. Unfortunately during the last ten years a great many of our fishermen gave up fishing and went away to the United States. Now we are trying to get them back, and there is a very considerable return movement on the part of those expatriated fishermen from the Maritime provinces. These people will require boats to carry on their vocation.

Mr. LADNER: Does the hon. member seriously, as a responsible individual, suggest that the prospect of saving $3.75 a year on a gasoline engine will bring the fisherman back?

Mr. KYTE: No, but the prospect of returning to Canada and living under a Liberal government is bringing them back. They are going to engage in their former occupation, and they will require fishing boats, they will need to purchase engines, and each one of these men will save $37.50 upon every engine that he buys. My hon. friend with the true instinct of the Conservative is not thinking of progress, of advancement. He is thinking only of the conditions to-day; he is not thinking of the men who are looking to the future and who wish to contribute towards the development of our industries.

Mr. LADNER: Hon. gentlemen opposite are thinking of votes.

Mr. KYTE: Let me emphasize the point that it is upon the new boats that the saving will be made. A large number of engines for these boats will be purchased in the Maritime provinces in the present and succeeding years.

Now, my hon. friend refers to the reduction of duty as being somewhat in the nature of an economic triumph. Does he not know that when his own leader entered parliament, or in the second session following that entry, he

moved to reduce the duty on agricultural implements very considerably? I presume my hon. friend will not think that his leader was wrong in taking that action? Furthermore, the late government, representing the party which my hon. friend supports made a reduction in the duty on agricultural implements a few years ago. Had my hon. friend been in the House at that time he would have supported that policy. Now if it was a good thing to make reductions from time to time in the duties upon the implements that are used in the agricultural industry—

Mr. LADNER: I doubt whether it was.

Mr. KYTE: —surely it cannot be a bad thing to reduce the duty upon the implements used in the development of our fishing industry?

Mr. NEILL: Perhaps, it is right that I, as representing some of the fishermen on the Pacific coast, should speak on this question. I may say that the hon. member for Skeena (Mr. Stork) is at present engaged in the Ocean Freight Rates committee, otherwise I am sure he would be here to lend his views in support of the fishermen whom he represents in common with myself. When speaking in the budget debate I dwelt on this matter, and indicated the advantage that would result to the fishermen not only from the remission of this particular tax, and some remissions made on the twine used in connection with their nets, but also from the reduction in the sales tax. I do not think there is any very great danger to be apprehended of these manufacturing industries in Vancouver going out of business immediately. It is a curious fact that they are always going out of business when reductions in the duties are suggested. Nevertheless they are still here, and they pop up year after year, and session after session, with the same old wail that they are going out of business unless something is done. However, we find them still here, and still complaining that they are losing money.

Mr. LADNER: Since a reduction of duties has proved so beneficial in the opinion of my hon. friend, would he advocate the total elimination of duties in the case of all manufacturing industries?

Mr. NEILL: When I was speaking on the budget I said the hon. members of this House had spent something like sixty per cent of their time debating the everlasting question of tariff protection versus free trade, and I did not propose to be drawn into a discussion of that abstract question. I can only deal with situations as they arise. I am now dealing with the proposed partial remission of tax on engines used in the fishing industry on the Pacific coast. The duty has not been taken off altogether. The manufacturers still have a duty, and it is such a duty that it will give them a living chance. The hon. member for Vancouver South (Mr. Ladner) endeavours to minimize the benefit to the fishermen, and figures out by some abstract method of reasoning that the fisherman only benefits to the extent of $3.75 a year. On the Pacific ocean—I do not know anything about the doings on the Atlantic ocean—when we buy engines we pay for them, and do not spread the payments over ten or sixteen years, and if the hon. member for Northumberland (Mr. Snowball) was correctly represented by the hon. member for Vancouver South, when he is supposed to have stated that the average life of a gasoline engine on one of these boats is sixteen years, I beg to differ with him. That is a mistake to my mind. They have not been in general use for sixteen years to begin with, and I know of cases where six years would be more likely to be the average life than sixteen. But that is certainly an exaggerated statement of the life of such an engine. Not only the engine itself but the parts that go with it have to be renewed from time to time.

We hear about encouraging basic industries. In the estimates of the Minister of Marine and Fisheries (Mr. Cardin) we saw quite a large item running into hundreds of thousands of dollars for the encouragement of deep-sea fishing. I think some of it used to be spent for paying part of the freight on fish, in order to enable them to ship it to the centre of the continent; but here is a readier and cheaper way of encouraging deep-sea fishing on the coast, by enabling them to get tools at something nearer a reasonable price, in order to prosecute their industries. The market of the fishermen is a good deal like the wheat market of my hon. friends to my left. The product has to be sold, not perhaps in the world market, but in the market of the United States. That market governs the price at which the great bulk of the commodity has to be sold. The amount of halibut consumed in Canada is negligible compared with the amount consumed in the United States. That is where the market lies, and when the American fishermen and the Canadian fishermen go out side by side, the banks being in neutral waters, they have to compete. The American has his boat, equipment and all the material necessary without paying any duty at all. The Canadian has to pay a heavy duty and

is handicapped at the start. When they come into port with their fish, the American fish go through Canada in bond to the eastern states market, free of duty, and the Canadian has to pay a duty of two cents on his fish going into the United States. He is handicapped in that way also. What is the result? Canadians go over to the other side, and they have been going over in hundreds and thousands during the last fifteen years. A large number of Canadian fishermen can now be found operating in Seattle, on account of the economic conditions to which I have referred, both as regards the tax on fish and the other conditions. We hear about Canadians going over to the States and we are urged to find means to stop them and to encourage them to come back. The way to encourage them to come back is to make conditions by which they can compete with Americans in the common market of both of them, which is the United States.

Another feature I should like to mention is that this reduction is one which will tend to reduce the cost of living. One of the greatest things statesmen strive for is to reduce the high cost of living. If you reduce the cost of production in a basic industry—and fishing is one of the basic industries—you will cheapen the price to the consumer, and that is what the people of Canada want. They want a cheaper cost of living. When my hon. friend from Vancouver South asked a question, he expected a negative answer, but I will give him a different answer. He asked, is it in the interests of Canada to do this? I say yes, it is in the interests of Canada to cheapen the cost of production and keep Canadian citizens in Canada.

Mr. BLACK (Yukon): Does this include steam engines and oil burning engines, as well as gasoline engines, when used for the purposes set out in the schedule?

Mr. ROBB: Yes, it reads:

"Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise".

Mr. BLACK (Yukon): Is not the class of engine known as the Diesel, which is an oil burning engine, free now when used for marine purposes, and if that is so, will not this provision place a duty on it?

Mr. ROBB: No.

Mr. BLACK (Yukon): How can you escape it?

Mr. ROBB: It comes in under another item, 470.

Mr. ROBICHAUD: The item reads:

Engines to be used exclusively in the propulsion of boats bona fide owned by individual fishermen for their own use in the fisheries, under regulations prescribed by the Minister of Customs and Excise.

In some cases you have to draw a line between a vessel owned by a private individual and one owned by a trader or a man engaged in the fishing industry. Some are owned by fishermen and others owned jointly by fishermen and by dealers. In Nova Scotia the large bankers are owned jointly by fishermen and traders. I should like to know whether this provision would be the cause of any misunderstanding.

Mr. ROBB: No, I would not think so. We consulted the Department of Customs; this paragraph was so framed for administrative purposes, so that the man who had a large yacht would not get the advantage of it.

Mr. STEVENS: A very important point has been raised by my hon. friend. If Diesel engines were, as my hon. friend from the Yukon point out, put on the free list for fishing purposes last year there would be a very great danger of them being taxed under this item. What is the item under discussion?

Mr. ROBB: Diesel engines are under item 470.

Mr. STEVENS: I would like to check that up. It is a rather important matter. Item 470 in the tariff I think reads "Iron or steel masts."

Mr. ROBB: It says:

And iron or steel manufactures which at the time of their importation are of a class or kind not manufactured in Canada when imported for use in the construction or equipment of ships or vessels.

I can assure my hon. friend it is amply covered.

Item agreed to.

Customs tariff—469a. Well-drilling machinery and apparatus and parts thereof, and rope twenty-one hundred feet and over in length, capable of drilling wells of two thousand feet, and over in depth, of four inches and over in diameter, and of raising and lowering casing over four inches in diameter for such wells, for drilling for water, natural gas and oil, and for prospecting for minerals, not to include motive power: British preferential tariff, 5 per cent; intermediate, 5 per cent; general, 5 per cent.

Mr. GARDINER: What is the previous tariff on this item?

Mr. ROBB: Well there are some clauses involved in it. The proposed rates are five

per cent, five per cent and five per cent. The previous rates were:

	British Preferential Tariff	Intermediate Tariff	General Tariff
	Per cent	Per cent	Per cent
453..	15	26	27½
408..	17½	22½	25
454..	20	27½	30
548..	20	22½	25

And the sales tax will also be taken off.

Mr. FANSHER: Why is there a limit put on well drilling machinery capable of drilling wells over 2,000 feet in depth?

Mr. ROBB: That was after conversation with people who were interested in the development of the deep wells, and they are satisfied this will give them the relief they desire.

Mr. FANSHER: I notice in the previous item the minister has given a reduction in the materials that enter into the production of those items. He will remember that last year there was a reduction of one-half of the bounty that was given to assist the oil producer, and on the last of June of this year the other half goes off. Most of the oil is produced from shallow wells, and the machinery that is used is not machinery such as is used to drill a well to a depth of 2,000 feet. Most of the oil produced in Canada at the present time is from wells between four and five hundred feet in depth. Last year the assistance in the shape of a bounty was reduced. Why not reduce the duty on the implements that enter into the production of crude oil?

Mr. ROBB: There has been no such request. As a matter of fact our information is that the same people who have the wells largely manufacture the machinery. My hon. friend will observe also that in this item we are providing for a rebate of 99 per cent on the materials entering into the manufacture of this machinery.

Mr. GARDINER: Has the minister taken into consideration the advisability of reducing the tariff on engines used for the purpose of running this well drilling machinery?

Mr. ROBB: I have not taken that into consideration.

Mr. GARDINER: Such reduction would be appreciated by people who have to buy this class of machinery. The cost of the power is a great deal more than the cost of the well drilling machinery. If we are to develop our oil industry in Alberta, I would suggest that the minister consider the advisability of reducing the tariff on engines required to operate these drills.

Mr. JELLIFF: I would like to impress upon the minister the idea expressed by the hon. member for Medicine Hat (Mr. Gardiner). These oil drilling outfits might properly be termed units. The different parts are built to work together in harmony; they are harmonized as to power, weight and stength. This is a good deal like letting in free or under a low tariff a clock or a watch with the mainspring left out. The reduction might well be made on the motive machinery as well as on other parts of the well drilling outfit.

Mr. COOTE: Might I emphasize that point as well, for the particular reason that in the state of Montana, just across the line, quite a number of professional well drillers, who own their outfits and who, I think, would in many cases like to come across to Alberta to drill wells for those who have leases in that district, under the present arrangement will be allowed to bring in their drill, but they must pay a duty of possibly 25 or 27½ per cent on the power attached that naturally belongs to that outfit? Although I would like to commend the minister for reducing this tariff to 5 per cent, he has fallen a little short in his duty in this regard.

Mr. ROBB: We do that frequently.

Mr. COOTE: I would like to see him include the motive power with these drills. The motive power that is put out with the drill when it is made is of the right size and capacity to run that drill. Sometimes, it is a little difficult for a driller in Canada to get the Canadian power that entirely suits his drill. I should like to impress that upon the minister, and I hope he will yet see his way to include the power with these well drilling outfits.

Mr. WARD: When the minister is considering the engine, I would like to suggest that he should change his regulation to include small drills for drilling wells for water. I cannot see why he should allow a drill drilling a four-inch hole to come in free and not a drill drilling a two-inch hole. There are many wells in western Canada that do not require to be drilled to a depth of two thousand feet. They go down three or four hundred feet drilling wells for water for farming, and such drills are entitled to just as much consideration as the oil drills.

Mr. FANSHER: While I appreciate very much the intention of hon. members from Alberta in trying to get a reduction in duty

on the whole outfit, I still claim that most of the oil produced within the Dominion of Canada is produced from shallow wells, and that the machinery required to drill such wells is not the machinery that would be required to drill a well two thousand feet deep. Therefore, it would not come under this item. We well remember the reduction in the assistance in the shape of a bounty to the oil industry. The principle was established in the budget of last year that where a reduction was made in the protective tariff, a like reduction was made on the materials entering into the production of those goods. I think, in this instance, a reduction should have been made on the goods entering into the production of crude oil. That branch of the industry is left now without any assistance. While the refining branch is given assistance. We have no reduction in duty on the tools which are required to drill these wells, neither have we any reduction in the duty on the goods that are required to maintain these wells. There is a large quantity of casings, tubing, rods, brass cups, couplings and the like upon which there is a heavy duty, and carrying out the same principle that was carried out last year, a reduction should be made in the duty on these items.

Mr. LEADER: I should like to back up what some hon. members have said about well drilling machinery used in drilling for water. I know something about that as I have had to go down two hundred feet for water for the animals on my farm. Last year when casings over four inches were exempted from the sales tax, I did not say anything, although I felt the government should have gone further and given the same exemption on casings used in wells for water. The present is not too late to amend that. Many farmers in western Canada especially have to drill to find water for their animals. This entails a great deal of expense. Many times they drill for three or four hundred feet, striking stone, and they must take their machinery out and drill somewhere else. Sometimes they drill for days or weeks without accomplishing their purpose and their expense is all for nothing. It is only fair to the farmers of western Canada, and, indeed, of all Canada, who are similarily situated in that regard, if the government would include well drilling machinery for drilling wells of any depth, for water, as well as oil.

Mr. FANSHER: In view of the fact that the minister made an investigation of the oil industry, has he considered the idea of reducing the duty on the goods that enter into the production of crude oil?

Mr. ROBB: I had officials of the department go through the oil wells in western Canada and the demand was more for a bounty than for any change in the duty. I have listened to the observations of hon. gentlemen this afternoon and I shall refer all this to the tariff inquiry board to go carefully into it. I am not prepared to make any further concessions this session.

Mr. BLACK (Yukon): On what principle does the minister admit free the Diesel engine for marine purposes and tractors when used for farming purposes, and charge a duty on both when used for mining? Is it not just as necessary, if the tariff is changed for the purpose of helping industry, that the change should apply to mining as well as to other industries?

Mr. ROBB: My hon. friend will observe that it referred to a class or a kind not made in Canada. My recollection is that when we made the change in regard to mining duties last year my hon. friend was not very enthusiastic over it.

Mr. BLACK (Yukon) The minister is entirely mistaken; I made no remarks on the matter one way or the other. I had correspondence with him in which I asked a question and the reply was merely that my suggestion was noted. I certainly think that where gasoline tractors are admitted free for farming purposes they should be admitted free, on the same principle, for mining purposes. Farms were carried on successfully many years before they used tractors, but in some of the remote parts of the country much difficulty would be experienced in mining if they had not the gasoline tractor for freighting and hauling ore. And the industries in those sections are much more in need of encouragement than is the ordinary farmer to-day. These engines are used for power purposes in these localities where there is no fuel supply and they cannot obtain hydro power. I submit that if the government is going to reduce the tariff on principle to help industries it should make reductions in this case. Of course, if the object is merely to get votes in various localities it is a different thing. Certainly, if the government is really anxious to help industries, the mining industry can be helped in this way.

Item agreed to.

Customs tariff—553a. Braided candle-wick with or without wire centre or braided taper-wick with or without wire centre when imported by manufacturers of wax candles or wax tapers for use only in their own factories in the manufacture of wax candles or wax tapers: British preferential tariff, free; intermediate tariff, free; general tariff, free.

Mr. STEVENS: What was the duty on this before?

Mr. ROBB: This is a reclassification; it came under 25 per cent.

Item agreed to.

Customs tariff—588. Coal, bituminous and coal, n.o.p., per ton: British preferential tariff, 35 cents; intermediate tariff, 45 cents; general tariff, 50 cents.

Mr. STEVENS: Would this change bring slack coal up to the level of ordinary run of mine?

Mr. ROBB: This reduces the ordinary run of mine coal 3 cents per ton, making it 50 cents, and it brings the slack coal up to that. It wipes out the slack coal item altogether.

Mr. STEVENS: Which previously was free?

Mr. ROBB: No, 14 cents.

Mr. WOODSWORTH: I should like again to call attention to the fact that at this very time we have a good deal of trouble in the coal mining area of Nova Scotia, and it has been said by the government that there is some difficulty in their taking action. I cannot myself see the grounds of that difficulty, but it has been stated that the government is more or less precluded from action because of the decision of the Privy Council with regard to the Industrial Disputes Investigation Act. Be that as it may, the fact is that there is a serious difficulty there and this government cannot avoid all responsibility in the matter. There is clearly one course that could be taken to force an investigation. Statements have been made by the miners with regard to the situation while other statements have been made by the operators. There is no evidence whatever before the public that if further protection is granted the operators it will be any help to the miners themselves. Further than that, there is no guarantee whatever that protection to the miners will mean any help at all to the consumers of coal. Under these circumstances it would seem absolutely essential, before the government or parliament can act intelligently, that there should be a fact-finding commission. It seems to me that this is due the public at large, and it is also due parliament before we are asked to vote on the matter. I should like to urge that it is the responsibility of the government to bring before us absolutely reliable statistics as to the cost of mining coal and as to the whole of the financial arrangements connected with the British Empire Steel Corporation before the public is asked to give further assistance in this matter.

[Mr. George Black.]

Mr. EVANS: I cannot help thinking that this duty on coal is very ill-advised. The government would have done much better to have accepted reciprocity in the matter of coal with the United States, who offer free trade in this commodity to all who will reciprocate. I cannot help thinking that coal, all the way across Canada, will be dearer for the householder than it has ever been. The natural market for coal for eastern Canada is in the Maritime provinces as well as in the New England states, and the natural market for Alberta coal is to the south and in the three prairie provinces. I think it is futile to spread Canadian coal over the whole of the Dominion either by means of a duty or by a railway subsidy. I think it is well established that even with this duty matters will not mend very much in Nova Scotia. There seems to exist there a situation which it will take more than 50 cents of a duty per ton on coal to overcome. There we see day after day an outrage committed against men, women and children which is besmirching the fair name of the British Empire. No British fair play is shown to the operatives in that area, and I think that their very nakedness and the suffering of these people are simply used as a lever to extort a high duty on coal for the benefit of the mine owner. The whole thing is wrong. Along with my hon. friend (Mr. Woodsworth) I want to see some interference on the part of the government in behalf of these operatives. It is time we took the matter in hand, and if the pride of Nova Scotia will suffer in consequence then I think the people there will have to pocket their pride for the time being. Certainly a duty rests on the government to interfere and put an end to the awful conditions now prevailing in Glace Bay.

Item agreed to.

Customs tariff—588a. Gas for heating, cooking or illuminating, per one thousand cubic feet: British preferential tariff, 6 cents; intermediate tariff, 6 cents; general tariff, 6 cents.

Mr. ROBB: I move that the item be amended by adding after the word "illuminating" the words "by pipe line."

Mr. STEVENS: What is the reason for this change, and what is the present duty?

Mr. ROBB: For many years there has been a duty of 17½ per cent, but it has never been imposed by any government. Recently we had a request from a municipality to reduce the duty as they wanted to import this gas. Therefore we are reducing the duty to a point where it can be properly administered—six cents instead of 17½ per cent.

Mr. STEVENS: What is the difference?

Mr. ROBB: It was 17½ per cent on the value; now it is six cents per 1,000 cubic feet.

Mr. STEVENS: What is the approximate value?

Mr. ROBB: Sixty cents at Niagara, two dollars at Calais, Maine.

Mr. STEVENS: This would be 10 per cent at Niagara.

Mr. ROBB: About that.

Mr. STEVENS: Is very much imported?

Mr. ROBB: Only at St. Stephen from Calais, Maine. Now there is a request to import it from a point near Niagara.

Mr. STEVENS: In the past the duty has been a dead letter, and this is virtually a new duty?

Mr. ROBB: Yes. We are changing it so it may be properly administered.

Mr. WHITE: Will this cover natural gas as well as artificial?

Mr. ROBB: Yes.

Amendment agreed to.

Item as amended agreed to.

Customs tariff—591. Farm wagons, farm sleds, logging wagons, logging sleds, and complete parts thereof: British preferential tariff, 5 per cent; intermediate tariff, 10 per cent; general tariff, 10 per cent.

Mr. CALDWELL: What was the former duty on this item?

Mr. ROBB: We are adding the words "logging sleds". The duty before was 25 per cent.

Mr. WHITE: What is the difference between farm sleds in this item and sleighs contained in the next item?

Mr. ROBB: It is the expression used by the customs for administrative purposes.

Mr. STEVENS: Just for the sake of harmony—

An hon. MEMBER: Hear, hear.

Mr. STEVENS: I mean harmony in language. I do not care much about the harmony of the House, in fact I think a little bit of spice once in a while is a very good thing. Will the minister look at the two items: logging wagons, 5, 10 and 10 per cent, and then below sleighs—which I presume will be logging sleighs—17½, 25 and 25 per cent? Why should there be a duty on the wagon of 10 per cent, and on the sleigh of 25 per cent. It sounds to me a little unreasonable and—well, scarcely sound common sense. Why not make them all 25 per cent?

Mr. ROBB: I have discussed this with the customs, and they claim that they can administer it and understand it better this way.

Mr. STEVENS: I admit that the customs officer's administrative mind is so trained to draw fine distinctions that he might understand it, but I defy any person of ordinary intelligence like myself to do so.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 78, for the relief of Vera Thelma Gooderham.—Mr. MacLaren.

Bill No. 99, for the relief of William John Fuller.—Mr. Duff.

Bill No. 100, for the relief of Alfred Augustus Jacques.—Mr. Duff.

Bill No. 101, for the relief of Paul Zizis.—Mr. Hocken.

Bill No. 102, for the relief of Annie May Blunt.—Mr. Hocken.

Bill No. 103, for the relief of Grace Harrington Bloom.—Mr. Hocken.

Bill No. 104, for the relief of Ian Somerled Macdonald.—Mr. Garland (Carleton).

Bill No. 105, for the relief of Arthur Beldon Morrison.—Mr. Church.

Bill No. 106, for the relief of George Edward Sharp.—Mr. Arthurs.

Bill No. 107, for the relief of Marjorie Morton.—Mr. Arthurs.

Bill No. 108, for the relief of William Ernest Hampson.—Mr. Arthurs.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 26, respecting a patent of Walter W. Williams.—Mr. McMaster.

Bill No. 48, for the relief of George Thomas Grigor.—Mr. Martell.

Bill No. 49, for the relief of Ethel May Sheriff.—Mr. Church.

Bill No. 50, for the relief of Max Arno Frind.—Mr. Hocken.

Bill No. 51, for the relief of Elizabeth Burns.—Mr. Garland (Carleton).

Bill No. 52, for the relief of Fred Herdman Ogden.—Mr. Church.

Bill No. 53, for the relief of Marion Gooderham Smith.—Mr. Hocken.

Bill No. 54, for the relief of Edith Mary Wiles.—Mr. Garland (Carleton).

Bill No. 55, for the relief of Annie Kate Winch.—Mr. Hanson.

Bill No. 56, for the relief of Florence Kate Coutts.—Mr. Ryckman.

Bill No. 57, for the relief of George Kerr Jess.—Mr. Hanson.

Bill No. 58, for the relief of Thomas Almer Shields.—Mr. Euler.

Bill No. 59, for the relief of Roderick James Ellis.—Mr. Boys.

Bill No. 60, for the relief of Florence Mann. —Mr. Sheard.

Bill No. 61, for the relief of Samuel John Pegg, junior.—Mr. Preston.

Bill No. 63, for the relief of Izzie Klinmentz (otherwise known as Izzie Climans).—Mr. Jacobs.

Bill No. 64, for the relief of John Hutchinson Durnan.—Mr. Sheard.

Bill No. 65, for the relief of Richard James Wright.—Mr. Garland (Carleton).

Bill No. 66, for the relief of Mary Ellen Ayre.—Mr. Boys.

Bill No. 67, for the relief of Helen Marie Pritchard.—Mr. Garland (Carleton).

Mr. SPEAKER: I might, perhaps, ask the House if I could not embody the motions for the third reading of these bills in one resolution in order to save time?

Some hon. MEMBERS: Carried.

Mr. SPEAKER: By leave of the House. It is moved by Mr. McGiverin seconded by Mr. Mackinnon that the bills be read a third time. Is it the pleasure of the House to adopt the motion?

Mr. LAPOINTE: On division.

Mr. SPEAKER: Carried on division.

BRITISH CONSOLIDATED INSURANCE CORPORATION

Mr. WILLIAM IRVINE (East Calgary) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 34, to incorporate the British Consolidated Insurance Corporation.

Mr. LAPOINTE: Will the hon. gentleman tell us what the amendments are?

Mr. SPEAKER: I see by the amended bill that the only change is in the phraseology. The word "insurance" is replaced by the word "assurance" in two places.

Mr. IRVINE: That is the only change.

Mr. SPEAKER: With this assurance is it the pleasure of the House to adopt the motion?

Motion agreed to.

[Mr. Stevens.]

WAYS AND MEANS
CUSTOMS TARIFF, 1907, AMENDMENT

The House in committee of Ways and Means, Mr. Gordon in the chair.

Customs tariff—591. Farm wagons, farm sleds, logging wagons, logging sleds, and complete parts thereof British preferential tariff 5 per cent; intermediate tariff, 10 per cent; general tariff, 10 per cent.

Mr. HOEY: Is there any change in the farm wagon item?

Mr. ROBB: No, the only change is to insert the words "farm sleds."

Item agreed to.

Customs tariff—591a. Freight wagons, drays, sleighs, n.o.p., and complete parts thereof; British preferential tariff 17½ per cent; intermediate tariff, 25 per cent; general tariff, 25 per cent.

Mr. ROBB: The only change is to add the words "n.o.p."

Item agreed to.

Resolution agreed to.

DRAWBACKS

3. Resolved, that schedule B to The Customs Tariff, 1907, be amended by providing that the following items, enumerations, and rates of drawback of customs duties be inserted in said schedule B:—

Customs tariff—1045. Materials when used in the manufacture of tubes enumerated in tariff item 397,—payable as drawback, 99 per cent.

Item agreed to.

Customs tariff—1046. Materials when used in the manufacture of articles entitled to entry under tariff item 663b, when such articles are sold to manufacturers to be used as specified in said item,—payable as drawback, 99 per cent.

Mr. LUCAS: What are the conditions which a manufacturer has to comply with in order to receive this drawback?

Mr. ROBB: The general regulations apply to drawbacks and they are given on goods imported within three years. The item is to provide for a drawback on materials used in the manufacture of machinery and other articles entitled to free entry under tariff 663.

Mr. LUCAS: Does that apply to material imported to be manufactured into goods which are for export?

Mr. ROBB: No this item is to apply particularly to the machinery for manufacturing fertilizers. The machinery is now free and it is to give them a rebate on the material going into the machinery, to put the Canadian in as good a position as the foreign dealer.

Mr. SPENCER: Is that drawback given on machinery manufactured and sold in Canada as well as on what is exported?

Mr. ROBB: Yes.

Item agreed to.

Customs tariff—1047. Materials when used in the manufacture of articles enumerated in tariff item 469a—payable as drawback 99 per cent.

Item agreed to.

Customs tariff—1048. Materials, including all parts, when used in the manufacture of goods enumerated in tariff item 453e—payable as drawback 50 per cent.

Mr. WHITE: Before six o'clock, when the items covering engines, well drilling machinery and farm sleds were under consideration, the minister stated that, on account of the reduction of duties, the manufacturers of these articles were allowed certain drawbacks on materials as covered by the next page. What consideration is being given to the makers of these materials?

Mr. ROBB: I think we made some concessions last year covering that. I will get the information for my hon. friend.

Mr. WHITE: And withdrawn this year?

Mr. ROBB: No, excepting in the alloy rolls.

Mr. LEWIS: Why is it that when a manufacturer manufactures a commodity that is on the free list, he is given the privilege of a drawback of 99 per cent of the tariff on all the raw material that goes into it, while on the other hand the farmers who are manufacturing as primary producers all the time and whose goods are all on the free list, do not get a drawback of 99 per cent on the things which they require in order to produce their goods?

Mr. ROBB: My hon. friend seems to forget that we made a good many reductions last year on implements, particularly for farms, and that we are adding to the list this year.

Item agreed to.

Customs tariff—1049. Bituminous coal when imported after the 24th day of March, 1925, by proprietors of by-product recovery coke ovens and converted into coke at their by-product recovery coke ovens. Provided that no drawback shall be paid under this item during any calendar month when the average ratio during that period is less than 1,300 pounds of coke from 2,000 pounds of coal, also provided that drawback payable under this item is in lieu of drawback payble under any other item—payable as drawback 99 per cent.

Mr. ROBB: I beg to move that the following be substituted for item 1049:

1049. Bituminous coal when imported after the 24th day of March, 1925, by proprietors of by-product recovery ovens and converted into coke at their by-product recovery coke ovens. Provided that no drawback shall be paid under this item—

This is new:

—on coal converted into coke at a gas retort plant or at a plant using any other process than the by-product recovery coke oven process.

Mr. KENNEDY (Edmonton): What is the reason for that change and what general effect will it have?

Mr. ROBB: The reason is to give this advantage only to plants that are making exclusively coke as a by-product.

Mr. GARDINER: Producing coke for fuel?

Mr. ROBB: Yes.

Mr. CHURCH: What is exactly the policy of the government? This afternoon we passed a resolution in reference to bituminous coal and coal n.o.p., British preferential tariff, 35 cents per ton; intermediate tariff, 45 cents per ton, and general tariff, 50 cents per ton. In my opinion that resolution passed this afternoon and this item in connection with the drawback on bituminous coal are not fair and equitable for the whole of Canada. It may be that the minister may be trying to give some stimulus to the coal industry in Nova Scotia, but there has been a great deal of discussion in parliament in regard to a national policy on this coal question and equality of treatment for both Alberta and Maritime coal. I was much surprised this afternoon, in view of that resolution and the drawback item of 99 per cent, that my friends the Progressives from Alberta did not ask for the same treatment which the Maritime provinces are getting. The resolution passed this afternoon and this item in regard to the drawback of 99 per cent have to be read together, and I claim that they constitute a clear discrimination against Ontario. This duty is going to cost the people of Ontario, it is estimated, between $1,500,000 and $2,000,000. The people of Ontario would gladly use Nova Scotia coal, as was pointed out in the debate on the coal question, but they cannot use it on account of the transportation question at the present time and many other questions connected with it. This is clear discrimination in favour of Nova Scotia at the expense of Ontario and Alberta as well. I do not understand this silence on the part of my hon. friends to my left who are much interested in this coal problem, in both the duty and the drawback and in getting Alberta coal to central Canada.

I fail to see that there is equality of treatment. It is class discrimination of the worst kind at Ontario's expense. The government should bring down a national policy giving

equitable treatment to all parts of Canada, instead of levying an imposition of $2,000,000 a year on the people of Ontario for the benefit of the people of Nova Scotia. This is not a solution of the coal question. It is the mere absence of a proper policy. It is not carrying out the resolution adopted unanimously by this House at two sessions of this parliament for a national policy on coal for Canada. It is simply benefiting one section of the country at the expense of another. As regards these coke ovens, although this may not be in the minister's department—it may be in that of the Minister of the Interior—the minister ought to tell the committee the names of the coking plants benefited by this drawback proposition and where they are. They may be only in certain parts of Canada. I am very much disappointed at the silence of the Progressive members from Alberta, the so-called Ginger group in this House and the way they follow the government. It does not seem as if they had very much ginger or progress in their make-up. This afternoon they said not a word as to the adoption of this discriminatory policy on the tariff. If there is to be any tariff or drawback at all on coal, it should be equitable not only for Nova Scotia, but for Ontario and Alberta as well. Ontario is also penalized on well drilling machinery. Last year a resolution was passed providing for $200,000 bonus for the benefit of the coal industry, and not a cent went to Alberta. Nevertheless, hon. gentlemen from that province sit here and say nothing. I do not see why the government could not bring down a fair and equitable national policy on coal and a policy of protection for the whole country. I am surprised that the Conservatives and Progressives of Ontario, especially those coming from the cities and towns, should allow a resolution of this kind to go through without protest, when this means that $2,000,000 will be taken out of the pockets of the hard-working people of Ontario.

Mr. LEWIS: I am glad for once that protectionist Toronto knows what it feels like to be taxed for the benefit of some other class of people. If there was ever any insincerity in protection, we have heard it to-night. The people who believe in protection and who are willing to tax the whole of Canada for the sake of the few, when the thing is turned around upon themselves, are the first to howl.

Amendment agreed to.

Item as amended agreed to.

Resolution agreed to.

Resolution 4 agreed to.

[Mr. Church.]

THE SPECIAL WAR REVENUE ACT 1915, AMENDMENT

Mr. ROBB moved:

1. That "cheque" shall be further defined to include any document or writing, not drawn upon or addressed to a bank, in exchange for which a bank makes payment of a sum of money, except a coupon and a document used solely for the purpose of settling or clearing any account between banks, and that such a cheque shall be liable to the stamp tax imposed on cheques by the said act.

2. That a bill of exchange transferred or delivered to a bank drawn upon a person outside of Canada shall, for the purpose of the value of the stamp to be affixed thereto, be deemed to be drawn for an amount not exceeding twenty-five hundred dollars.

3. That no person selling foreign exchange shall for the purpose issue a bill of exchange drawn upon a person outside of Canada unless there is affixed thereto a stamp of the value of two cents for every fifty dollars up to twenty-five hundred dollars.

4. That the stamp tax imposed by the said act on money orders or traveller's cheques shall be similarly imposed on money orders or traveller's cheques issued by a bank or other person.

5. That any bill of exchange or promissory note held by a bank as collateral security for an advance or other indebtedness and in respect of which advance or other indebtedness stamps of the requisite value under this section are affixed to the relevant bill, note or other proper document, shall not be subject to the provisions of this section. If such collateral is paid by a person liable thereon stamps of the requisite value according to subsection 3 (a) of this section shall before surrender thereof be affixed thereto and cancelled by the bank.

6. That a request in writing by a customer of a bank asking the bank to transfer from the account of the customer to another bank a sum certain for deposit only to the credit of the customer in such other bank, and an advice in writing by a bank to its customer that a sum certain is placed to the credit of the customer for transfer and deposit only to the customer's credit in another bank, shall not be subject to the stamp tax prescribed by section twelve of the said act.

7. That in the case of the first complaint to the minister or any officer of Customs and Excise against a person for failure to properly stamp a receipt given by such person the minister may permit the person to affix the stamp in the manner prescribed in section fourteen of the said act within one month of the date of the permit on payment of a penalty of ten dollars.

8. That subsection four of section nineteen BBB of the said act as amended by section three of chapter sixty-eight of the statutes of 1924, being the list of excepted articles not liable to the consumption or sales tax, be amended by striking out of said section three of chapter sixty-eight the words "gasoline engines to be used in boats bona fide used by individual fishermen for their own personal use in the fisheries" where they occur in lines twenty, twenty-one and twenty-two, thirty-eight, thirty-nine and forty, and fifty-eight, fifty-nine and sixty of said section three; and that the said subsection four of section nineteen BBB be further amended by adding thereto the following:

"Vegetable plants; lasts for boots and shoes including rubber footwear and patterns for boots and shoes including rubber footwear; goods enumerated in customs tariff items 453e, 469a; articles and materials to be used exclusively in the manufacture of goods enumerated in customs tariff items 453e,

469a; materials, not to include plant equipment, consumed in process of manufacture or production which enter directly into the cost of goods enumerated in customs tariff items 453e, 469a."

9. That the bond required under the provisions of subsection seven of section nineteen BBB of the said act to be given by a licensed wholesaler or jobber shall be for an amount not more than fifteen thousand dollars and not less than two thousand dollars.

10. That any enactment founded on paragraph eight of this resolution shall be deemed to have come into force on the twenty-fifth day of March, 1925, and to have applied to all goods imported or taken out of warehouse for consumption on and after that day and to have applied to goods previously imported for which no entry for consumption was made before that day.

11. That any enactment founded on this resolution, excepting paragraph eight thereof, shall come into force on the first day of July, 1925.

On resolution 1:

Mr. STEVENS: What is the effect of resolution number one?

Mr. ROBB: These resolutions are based on the act introduced in 1915, The Special War Revenue Act. It has been brought to the attention of the department that there has been an evasion of the intent of the act and the amendment is to define more clearly what a cheque is so that there shall be equity all along the line. After we have got through with this I shall move an amendment to provide that the stamp tax imposed by The Special War Revenue Act of 1915 on any cheque receipt for money paid by a bank, money order, traveller's cheque, post office money order and postal note, shall not be payable in respect of any of the said instruments if it is for an amount not exceeding $5. That I think will be some concession to all classes throughout the country.

Mr. CAMPBELL: Could the minister not raise that to $10? We have a great many protests from dairymen and produce dealers in the west, and personally I have so many resolutions here that it would be impossible to read them all to the House. They come from various representative bodies, such as boards of trade, dairymen's associations, creamery companies, wheat pool organizations, grain growers' associations, farmers' unions and agricultural societies, and it is pointed out that the cheques or bills for produce such as eggs, cream and various other commodities, are for very small amounts, very often for $2 and $3. When we remember that the stamp of 2 cents for every $50 applies only to cheques up to $2,500, it will be seen that this provision is a direct bonus to those who are handling large amounts. This is a particular hardship on the dairymen and the various produce dealers of the west, because naturally it all comes out of the producer in the end. I think the minister might raise this amount to $10.

Mr. ROBB: If my hon. friends were responsible for raising the revenue to meet the fixed charges of the country and our interest on the immense national debt we incurred during the war, as well as to take care of pensions to the soldiers and the widows and children of soldiers, besides carrying on the general affairs of the country and providing for the development of our transportation system, building branch line railways and all that sort of thing; and if, in addition to that, they were attacked by the same people in the country, the delegations that come to interview the government, some wanting public works and others seeking to evade taxation —if hon. gentlemen were faced with such a problem as this they would see how difficult it is to carry on our national business. If we fix a limit of $10 it will simply mean that the revenue of the country will be seriously eaten into. This I think is a very fair concession. My hon. friend a moment ago referred to the dairy business. I want to say frankly that the government never contemplated that or any other business in particular in framing this legislation.

Mr. MEIGHEN: Could not the hon. member escape the tax by issuing two cheques?

Mr. CAMPBELL: That occurred to my mind, but I prefer to do it in the proper way.

Mr. ROBB: When Sir Thomas White brought in the legislation originally it was thought that it would cover all forms of payments in the way of cheques; but there are men in business who sit up at night trying to devise ways and means of evading taxation, and it has been found in practice that there is considerable business in the country that has escaped. The farmer who sells his grain is not the man who pays the tax on the $2,500; it is the man who purchases that pays it.

Mr. CAMPBELL: When the farmer ships a car of grain he finds a deduction on his bill for the exact amount of the stamps used on the cheque.

Mr. ROBB: He will not find that in the case of regular grain companies.

Some hon. MEMBERS: Yes.

Mr. ROBB: Then he has recourse under the law, because the law says that the man who issues the cheque must put the stamp on.

Mr. CAMPBELL: And so he does; the man who issues the cheque puts the stamp on and deducts it from the bill.

Mr. ROBB: He has no right to do so.

Mr. BROWN: The minister will remember that two years ago the Minister of Finance (Mr. Fielding) made the statement that the government did not care who paid the tax so long as it was paid.

Mr. ROBB: But I am pointing out the law as it is. My hon. friend introduced the question of the dairy industry in relation to milk cheques. I am told that in western Canada there is a system of doing business whereby they are paid daily as the produce is sent in. I have been listening to and reading the debates that have taken place and I notice that some hon. gentlemen have particularly emphasized the fact that a direct tax is the proper sort of tax to be imposed. Now, this is a direct tax. They emphasize this also, which is the fact, that any tax should be equitable. Let us take that part of the dairying industry which sends its product to the dairy factories. In the three western provinces the business last year was about twelve million dollars; in eastern Canada it was eighty-two million dollars. Now, the people who were doing the eighty-two million dollars' worth of business paid the tax on the cheques they sent to their patrons; the other people did not pay it. I ask hon. gentlemen, is that an equitable tax all over Canada? All we are trying to do is to make this tax not merely applicable to the dairy business but to every business—in a word, to make it equitable all over the Dominion. We have discovered that not only in the dairy and grain business, but also in the lumber business and the machinery business methods have been devised of evading the tax, so we are tightening it up now in order that everyone liable will have to pay. As my hon. friend said a moment ago, most of this business is for amounts under five dollars, and the amendment which I propose will release cheques up to that amount; but we want to make it equitable, therefore we are releasing payment of stamps on these small cheques to everyone throughout Canada.

Mr. CAMPBELL: I have a good deal of sympathy with the minister, and agree with the most of what he has said. Undoubtedly we must have revenue. But I do not agree with him when he describes this as equitable. The inequity is the very thing we are protesting against; we say that it is not equitable. Let me take a concrete case. A cheque for $20,000 would bear a fifty-cent stamp, but ten cheques of five dollars each would bear a tax of twenty cents. It is the very inequity of this that we are protesting against. I think the minister could straighten it out a little better if he would raise the $2,500 minimum to $25,000, or something like that, and then I think there would be little complaint from the men who pay on the small cheques.

Mr. LEWIS: Mr. Chairman, I am pleased that the Acting Minister of Finance has acquiesced in the judgment expressed by the western members to even the extent of five dollars in the interests of the primary producers. This tax would have been a serious matter to many of our farmers in the west who to a large extent depend for their living on dairy products, and I am sure they will be glad that the extra burden has been so justly removed. But I also agree with my colleague from Mackenzie (Mr. Campbell) that the minister should go a step further and raise the minimum to $10, which I am sure would earn him the gratitude of the western producers.

Mr. ROBB: But we would lose a lot of revenue, and this we cannot afford to lose, for we have to provide for interest on the national debt, for pensions, and for carrying on the affairs of the country. If I open the door and raise the minimum to $10 for the dairy men, I have to open it for all others. I submit that the country cannot afford to lose the revenue.

Mr. CAMPBELL: Leave the minimum just as it is at $5, but raise the maximum to $25,000, then you will get some revenue.

Mr. GARLAND (Bow River): Get some revenue from the larger cheques; don't lose them.

Mr. ROBB: That change was made not with the view of relieving anybody, but to secure additional revenue. We found that a lot of business along the international boundary line which should have been done through Canadian banks was, on account of this higher tax, going to the United States banks across the border. It was to bring that business back that we made the maximum $2,500.

Mr. BOYS: The minister says that raising the minimum to $10 would involve a very considerable loss of revenue. Unless he can show us that such a loss would ensue, I would be inclined to support the suggestion to increase the minimum to $10, for it is most annoying to have to put a two-cent stamp on small receipts and cheques. Personally I do not think there would be any serious loss. To-day these small amounts are very often paid in cash; I think it is desirable to encourage people to pay by cheque, and so avoid the

many disputes that arise where receipts are not given on cash payments. I think in the interest of people doing business in a small way the minimum should be increased from $5 to $10 unless the minister can show the House that the loss in consequence would be very substantial.

Mr. ROBB: I regret I have not the exact figures before me, but it is estimated in the department that the change would involve a very considerable loss of revenue. I agree with my hon. friends opposite that these stamp taxes are a nuisance, and it would be much better if we could meet the views of hon gentlemen and raise the limit to $10. But I would suggest that we try this minimum of $5, and if next year we find we can increase it to $10, $15 or $25, we will be glad to consider it.

Mr. BOYS: Is any effort made to ascertain the amount paid, for instance, on cheques of $5 and under, on cheques from $5 to $10, and on cheques from $10 to $15, or is it merely the total which is derived from the tax?

Mr. ROBB: It is the total. I did ask some of the banks to try and get me an estimate along that line, but the time was too short for them to give me any.

Mr. MEIGHEN: What is the total income from the tax stamps on cheques and receipts?

Mr. ROBB: About ten million dollars from all stamps.

Mr. MEIGHEN: Ten million dollars on all stamps! Does that include cheques, receipts, overdrafts, bills of exchange, notes, and all those things?

Mr. ROBB: Yes, about ten million dollars.

Mr. MEIGHEN: I am astonished if it is that much.

Mr. ROBB: I am speaking in round figures. I will try to get the exact figures.

Mr. MEIGHEN: I take it that all of them are objectionable, as every tax is.

Mr. ROBB: I agree.

Mr. MEIGHEN: Cheque and receipt stamps are by no means as objectionable as the overdraft and note taxes. Those are taxes that affect me most.

Mr. ROBB: And me too.

Mr. MEIGHEN: And I feel most keenly about them. I have never under any government been able to understand why a man ought to pay a tax because he owes a debt —the more he owes and the harder up he is, the more he is taxed. That is the actual law. I am not objecting to the cheque tax and the receipt tax, these are in

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a different category, but the overdraft tax and the tax on a note that a man cannot pay really strike me as the most inequitable, unjust and iniquitous. Of all taxes in the world I think those are the hardest to defend. Surely there can be something devised a little more sensible than those. It is really an attempt to tax poverty.

Mr. ROBB: I agree with very much that my right hon. friend has said, but I would remind him that this tax was introduced originally in 1915.

Mr. MEIGHEN: I know that.

Mr. ROBB: By a former colleague of my right hon. friend. It is based on the English act. Under that act I am told that the tax on an overdraft in the United Kingdom is slightly higher than it is in Canada.

Mr. MEIGHEN: This government increased it.

Mr. ROBB: Yes, we did. The British act has been in force since 1845. In 1894 it was contended that coupons should also be taxed, and the British government amended their act to make it clear it was not intended to tax coupons, and coupons are not taxable in Canada. Now why is that? Coupon bonds are not issued by a business concern. No business concern can tell what they are going to be able to pay in five, ten, fifteen or twenty years; they do not finance that way. Coupon bonds are generally issued by governments, dominion, provincial and municipal.

Mr. MEIGHEN: The minister is wrong.

Mr. ROBB: Not to any great extent. Now if we imposed a tax on coupon bonds, and a tax had to be put on every coupon, that tax would have to be put on at the time the document was issued. It might be payable fifty years from now; it might be a fifty-year bond, and before the fifty years had expired the country might have repealed that act. That is one reason. The other is that it would be an additional cost on the municipality or corporation issuing the bond. They would have to put the tax on at once, and therefore, very wisely I think, coupons have been exempt from taxation.

Mr. MEIGHEN: It may be wise to exempt coupons, but I do not think the minister's reasons are conclusive. In the first place, although it does not seem to be relevant, coupon bonds are issued by corporations in many cases.

Mr. ROBB: I have never seen them.

Mr. MEIGHEN: I have; but the minister's objection would not apply, because there should be no difficulty in the execution of a law which provided, not that the coupons should be stamped, for that would be impossible without providing for their stamping on issue, but which provided that before being cashed the stamp tax should be put on the coupon. I cannot see any objection to that. If the law was repealed afterwards, there would be no stamp tax to put on the coupon.

Why also would it not be much more sensible to tax deposit money than to tax over-drafts?

Mr. ROBB: That view has been represented to us.

Mr. MEIGHEN: Deposit money is not in circulation, it is not helping the country, it is simply held there without doing very much for the public at all, and also they represent at least a certain amount of money, and the larger they are the more they should be taxed. But to tax the fellow because he cannot pay a debt, and to penalize him every three months, simply means that when you get a man down you are going to push him further down—down, down he goes, with the government's heel on his neck all the time. For the life of me I cannot see any common sense in that overdraft tax at all.

Mr. BROWN: I would like to endorse what the leader of the opposition has said with regard to this overdraft tax. I have had some little experience with that in trying to finance for a small country elevator, and we felt it to be a heavy burden to have to pay an overdraft tax at very short intervals.

In regard to the stamp taxes, the hon. member for North Waterloo (Mr. Euler) spoke of these as nuisance taxes some time ago. I do not altogether agree with him. I do not think this stamp tax should be any particular nuisance to the man in business, for he is prepared to stamp all the documents that come before him, but this particular tax will be a nuisance to a large class of people who are not in the way of doing business. These creamery tickets, as we call them, are given to large numbers of people who have no banking account, who never see a cheque, who never have had anything to do with issuing cheques or stamped documents in any form, and this tax will become decidedly a nuisance tax to them. I can imagine the consternation it will create in the minds of a great many people who are shipping an odd can of cream to the creamery and getting back what we call cream tickets for four, five, or it may be six or seven dollars in some cases. It will put a very heavy burden on them which I think they might very well be relieved of, and it will most certainly become a distinct nuisance tax to this class of people who have had nothing to do up to the present with the stamping of any document.

Mr. EULER: I would like to say that I have a good deal of sympathy with the views expressed on the other side of the House with regard to the stamp taxes. I would support anything that will tend to minimize the effect of these nuisance taxes. I do not know to just what extent the remedy the minister suggests, or the further one suggested by my hon. friends opposite, will tend to relieve the situation, but I would urge upon the minister to do everything he possibly can to relieve the public of these nuisance taxes. I do not altogether agree with the hon. gentleman who has just spoken (Mr. Brown). It may be true that this will be a nuisance tax more particularly to the people of whom he speaks, but I believe they are nuisance taxes to everybody.

The hon. leader of the opposition has referred to the tax on overdrafts, and the illogical nature of that tax. I think his remarks apply just as well to the tax on cheques, because the tax is taken from the man who pays. It ought to be taken from the man who receives, if it were possible to do so. I think it is just as illogical in the one case as in the other.

So far as the receipt tax is concerned, the law is more honoured in the breach than in the observance. I do not believe out of ten receipts upon which the tax should legally be paid, it is paid on one. Most people evade it. Generally the man who receives the receipt will make no objection if the stamp is not on the receipt. As a matter of fact, I think it is an encouragement to the breaking of the law in that respect.

Mr. HOEY: The receipt is of no value unless it is stamped.

Mr. EULER: It certainly is evidence to show the money has been paid, and I venture to say and I think I know whereof I speak, that in the majority of cases where the receipt is for more than ten dollars the stamp is not affixed at all.

I was rather surprised at the amount given by the minister of $10,000,000 as being the amount of revenue collected under these taxes. I was just wondering whether it would be possible absolutely to segregate these taxes and ascertain just what the revenue is from that source. Ten million dollars seems very high indeed.

I would like to urge again that the government, if it is at all possible, get rid as soon as possible of this form of taxation, which is about as annoying as anything that could be devised.

Mr. CHAPLIN: I would like to inquire from the minister if it is the intention to do anything in respect to the receipt tax. My reason for asking this is that I believe there is a studied endeavour on the part of people to avoid paying this tax. I would call the minister's attention to one case that came to my notice. I received what I call a receipt after sending a cheque, and on the receipt was written, "Your cheque received. No receipt is necessary." It was signed, and there was no stamp affixed. I would like to ask the minister if that is a legal document, and whether something cannot be done to avoid that sort of thing being done?

Mr. ROBB: My hon. friend who is a business man, and a good business man, knows that if he issues a cheque payable to order, and the payee endorses the cheque, he can have no better receipt than that. That covers it, as I am sure my hon. friend will admit.

Regarding the observations of my hon. friend from Lincoln (Mr. Chaplin) and the hon. member for North Waterloo (Mr. Euler) that the receipt tax is being evaded, I venture to say that to-morrow the officers may look into conditions in the constituencies represented by these hon. gentlemen, because I have in mind that within the last three months a Roman Catholic priest wrote to me and wanted me to see my colleague the Minister of Customs, who is a member of his own church and his own race, because he had taken action against him for not having put stamps on the receipts for pew rent. I say this in all justice to my colleague (Mr. Bureau) who is absent that wherever it is brought to his attention that people are evading the tax he does his best to have it collected. That is what the tax is imposed for. That tax has been in force in Great Britain for many years. The receipt tax is a good tax, and we get a lot of revenue from it, for instance in hotels from tourists and transients who are passing through the country.

Now with regard to the tax on the $10,000,000 officers have gone after it and I think we will get that collected. I recall since the debate started having a conversation with a representative of the Bankers' Association, and he gave me the assurance that the most of this overdraft tax, that is the one I am talking about now, is paid by big business—stock brokers who deposit securities in the bank and get an overdraft covering them. From that source there is about $8,000,000 of revenue derived. If hon. gentlemen wish to lose $8,000,000 for the sake of a few of us—and I am in the same class as my hon. friend—

Mr. MEIGHEN: Eight millions?

Mr. ROBB: Yes, that is the amount of revenue derived from "big business".

Mr. CHAPLIN: The minister, it seems to me, has missed the point I was trying to get at. I never questioned the value of the receipt that was on the back of my cheque; but when a man sends me a receipt for it I expect it to be stamped. I may say to the minister that he does not need to come to my constituency; there is a case in point that I can produce to him very close to his own constituency.

Mr. ROBB: All right, let me have the facts and we will get after them.

Mr. GOULD: I wish to add my little word of protest to the protest of other hon. gentlemen who have expressed themselves concerning the $10 cheque. I think I am in receipt of possibly, one hundred letters and telegrams from the western country protesting against this proposed tax. I believe that if the minister would make a recommendation that $10 should be the minimum he would not necessarily lose any revenue. I am aware that in the past in the case of grain cheques this tax has been evaded in many instances. I could cite instances where one would sell his grain upon the street, receive his ticket from the weighmaster, and then go to the bank and cash it without any question being asked—he got the full amount written upon the ticket. In other places when he presented his ticket at the bank they would insist upon the stamp being placed upon it. I think if such a regulation were enforced the minister would secure as much revenue as he would by requiring the payment of a tax upon a cheque for $5 or for something over that amount.

I also know that what the hon. member for North Waterloo (Mr. Euler) has said in regard to receipts is true; but of course in that case there is no method whereby the stamp could be cancelled, and therefore the question of legality would not necessarily arise. If the receipt were questioned there would be no difficulty in the individual putting a revenue stamp on the receipt and thereby, possibly, rendering it legal. In the case of bank cheques however it is a different matter; there is no opportunity to avoid the

liability as there is in the case of receipts. The minister said that in reading over a number of the budget speeches he noticed that arguments were made for direct taxation. I am one of those guilty individuals; I have always advocated the principle of direct taxation.

Mr. ROBB: For the other fellow.

Mr. GOULD: The minister has only told one half of the story. We have been advocating the principle of direct taxation for many years, but we do not want that supplemented by indirect taxation. The minister has brought down a budget which adopts the principle of indirect taxation, and now he wants to apply the principle of direct taxation too. That is what we are objecting to. We are prepared to pay in our equity on the principle of direct taxation, provided it supplants indirect taxation. That is the important point with those who are in favour of the principle of direct taxation.

Mr. SPENCER: Why was it found necessary to substitute excise stamps for postage stamps when putting stamps on cheques? There were many postmasters in the rural districts who got a small commission on the postage stamps they sold, and they regard it as a hardship to substitute excise stamps for postage stamps.

Mr. ROBB: I know that it occasions considerable inconvenience and some heart burning perhaps, but hon. gentlemen must understand that if we are to determine what revenue we are receiving from the Post Office Department the business must be segregated. That was the object in view in making the change.

Mr. EULER: Are the stamps now used on commercial paper, cheques, and so forth used only for that purpose, and was the change made in order to tell exactly what the revenue was?

Mr. ROBB: Yes.

Mr. KELLNER: How would the minister prevent a debtor who owed $25, using five consecutive cheques in paying his creditor, and evading the law in that way?

Mr. ROBB: Do not ask me to tell people how to evade the tax. They know pretty well already.

Mr. KELLNER: I was assuming that people knew how and asking the minister how he would overcome the evasion of the law if that practice was resorted to.

Mr. CAMPBELL: The minister mentioned a reason for exempting cheques above $2,500

that I think is very well ill-founded. I can hardly conceive of a business man, or a business corporation, carrying money across the line, depositing it in an American bank, and then issuing a cheque on it to some part of Canada in order to evade the tax. That is something I can hardly conceive of; in fact we have heard so much about the weakness of American banks that I cannot imagine any of our larger corporations using those banks at all. I do not think there is very much force in that argument. But let us take the case of the man who writes cheques for $5 and a little over, amounting in all to $50, he has to pay a tax of twenty cents.

Mr. ROBB: Wait a moment. Does my hon. friend say he has to pay twenty cents?

Mr. CAMPBELL: Yes, twenty cents.

Mr. ROBB: On a cheque for $5.

Mr. CAMPBELL: We will say there are ten cheques and in each case it amounts to a few cents over the $5. He is penalized to the extent of 18 cents.

Mr. ROBB: He pays two cents on $50.

Mr. CAMPBELL: He pays two cents on one cheque of $50 but if he issues ten cheques for $5, or five cheques for five dollars and one cent he pays twenty cents. So that he is penalized to that extent on a total amount of $50. On the other hand a man issuing a $20,000 cheque pays 50 cents. That is, he pays $2.70 less than he would pay if the tax were equitably assessed. Now that is my complaint. I can hardly conceive a man issuing a $20,000 cheque and then walking, perhaps a considerable distance to the American side of the line depositing his money there, and issuing a cheque against it just to save $2.70. In my opinion that is a very weak argument. I may say personally, and I think it would apply to most hon. gentlemen in this section of the House, that we are quite satisfied with the amendment the minister brings in providing he will raise this amount to, we will say, $20,000. This will make a considerable increase in his revenue. We certainly do object to the present lack of equity in the assessing of this tax.

Mr. McQUARRIE: With reference to the tax on receipts, I understand the minister has received representations in reference to putting stamps on monthly statements. I believe that early in the session a ruling was given that monthly statements that showed credits of more than $10 would not require to have stamps on them, but very recently

a contrary ruling has been given, and now further representations are being made to the minister in connection therewith. It would seem that the requirement of stamps on monthly statements is rather stretching this stamp policy. I was wondering whether the government had determined what the department would do in that connection.

Mr. ROBB: The stamp on monthly statements was only brought to my attention when I returned to Ottawa on Monday of this week. I never heard of it before and I cannot understand that it is general, because I know two businesses, not large businesses but businesses of some size, in connection with which statements were sent out each month. I never heard of the stamp being required, and I think I would have heard if the department had insisted upon it. If the department has made such an order, I agree with my hon. friend, and I do not think the act ever intended that. However, if the monthly statement is receipted, or a payment is acknowledged in the statement, and it is sent back, this stamp tax would be imposed, but I cannot believe that it would be imposed simply on the statement being sent out.

Mr. McQUARRIE: I got a communication from the Credit Men's Association in Vancouver, in which they said they had only recently been notified by the Vancouver branch of the department that a stamp would have to be put on a monthly statement, but I accept the minister's explanation.

Mr. ROBB: I will direct the attention of the Acting Minister of Customs and Excise to this matter. I was a bit surprised to hear of that tax.

Mr. LEADER: In common with hon. members, I agree that paying taxes is rather a nuisance, and I agree with the minister that so long as we spend the money we must pay the bill. I understood the minister to say that grain dealers would put the stamp on the cheques they issued to the farmers and bear the expense themselves. Is that the minister's information?

Mr. ROBB: That the dealer pays it?

Mr. LEADER: Yes.

Mr. ROBB: Yes, the person who issues the cheque must put the stamp on it. That is the law.

Mr. LEADER: I am very glad to hear the minister's declaration.

Mr. ROBB: Before my hon. friend proceeds, let me tell him that a cheque is no good and will not be accepted by the bank unless the stamp is on it.

Mr. LEADER: I could relate a little experience which would go to show that the farmer is charged with the amount of the stamp tax.

Mr. ROBB: Well, that is wrong.

Mr. LEADER: When the act came into force, in settlement for my wheat they sent the cheques to me by mail, deducting the amount of the stamp tax which I think was about forty cents per car. I had to pay that money. I immediately wrote to the grain dealer and told him I felt like bringing an action. He is a very good friend of mine and he wrote back that notwithstanding my threat—although he did not use that word—he felt they were entitled by law to charge the stamp tax to farmers. I wrote to the Finance Minister, at that time Mr. Fielding, and he wrote back that he had referred the matter to the Department of Trade and Commerce.

Mr. ROBB: No, it would be the Department of Customs and Excise.

Mr. LEADER: Perhaps it was. In due course I received a letter from the Department of Customs and Excise saying they had referred the matter to the law officers of the crown. After some little time I received a letter from the law officers of the crown saying that in their opinion the man issuing the cheque should pay the stamp tax but added that in my case it was a matter between me and the grain dealers to settle. I took it to a lawyer in Portage la Prairie and asked him what he thought about it. I showed him all the letters and he said, "I believe we can beat them if you have money enough, but I would advise you to drop it, because you would be the loser if you did win." And I dropped it. The law officers of the crown declared that in their opinion there was nothing I could do, and to-night the Acting Minister of Finance (Mr. Robb) says that certainly the grain dealer should pay the stamp tax. I should like to see the law enforced immediately and made retroactive.

Mr. BROWN: The question has arisen, as my hon. friend from Portage la Prairie will admit, on account of the way in which grain is sold in the west, namely through a commission house. There can be no question that the man who issues a cheque for grain or anything else must stamp it. He is the actual purchaser of the grain, but the difficulty with the farmers in the west has arisen from the fact that the grain is handled through the commission men; the commission men have re-

fused to pay the tax, and have charged it back to the farmers, because they claim, whether rightly or wrongly, that they are not the actual purchasers of the grain. It is that situation which has led to all the difficulty.

Mr. GOULD: I am sure it is not the intention of the minister to enact legislation through which a coach and four can be driven.

Mr. ROBB: Not if I can help it.

Mr. GOULD: I am sure he realizes that, with the exemption of the five-dollar cheque, ten dollars can be paid with two cheques. I would ask that an exemption be made of cream tickets, and I will give the reason. In our western country in the summer time feed is much cheaper, and cream is also cheaper, and usually in the case of a five-gallon can less than five dollars will pay for the cream; but in the winter time, when people are trying to bring in a little revenue, often it costs as much as ten dollars to produce a can of cream; therefore it is a complete loss of the tax on anything less than ten dollars. I think the minister can secure a revenue by a strict enforcement of the tax on the wheat ticket or the grain ticket. I would like to ask what penalty is provided in case the individual issuing a wheat or grain ticket refuses to comply with the law.

Mr. ROBB: I have not the act before me, but I am told there is a penalty and the officer tells me he thinks it is $100. I hope hon. gentlemen will not press for the ten-dollar provision; let us try the five-dollar proposition and find out for ourselves how much revenue we can afford to lose next year. I think that is a fair concession.

Mr. CAMPBELL: I am pleading with the minister to raise the revenue of the country and will he not consent to raise the minimum from $2,500 to $5,000 or $10,000?

Mr. ROBB: There was no limit on it at one time, but experience proved we were losing money and we dropped it in order to get more revenue.

Mr. CAMPBELL: Is the minister in a position to prove that they lost revenue? I can quite conceive of big companies going to the minister and telling him about the treasury losing money; but I cannot conceive of these same companies going across the line to deposit their money. I think if the minister wants the money there is an opportunity there to get it.

Mr. RYCKMAN: In reference to this question of going across the line to deposit money, that is not necessary at all. Banking by mail was the usual practice of large houses. There was not a large concern within my knowledge that did not have a bank account in the city of New York. If you are making two dollars on every five thousand in an account, it will pay you abundantly to keep your accounts in the United States. There is no use arguing the question; every business man knows there was money lost to the country by the imposition of this tax on large amounts. It would seem to me that anyone who is able to buy five gallons of cream—and that is what a can contains—would be able to pay this tax.

Mr. CAMPBELL: If a cheque is issued on a Canadian bank and if that is sent by mail to be deposited in a bank in New York, do they not charge a little heavier exchange than the regular exchange and that will eat up any saving effected in issuing a cheque on a New York bank?

Mr. RYCKMAN: It paid to keep a banking account in the city of New York, and my hon. friend must know that once you have the money in New York, you pay nothing for chequing it out. You can cheque it out in any amount. At one time—and I am glad to say that that time is past—New York funds were at a premium. Consequently, if you gave a New York cheque you were at a great advantage and you did not have this tax to pay. The people of Canada in hordes were running away from banking in our sound, home banking institutions. Another factor in the matter was this. We in Canada had millions on deposit in the United States and we were without the benefit of that money in Canada. The whole thing was so absurd, such a disadvantage to the country, that it was soon cured even by this government.

With respect to the desperate fight that my hon. friends to my left are putting up to escape a two cent tax on five gallons of cream, it would seem to me that the man or the dealer who was able to buy this cream could quite well afford to put the stamp upon these cream tickets, as my hon. friends call them. The tax does not come out of the farmers.

Some hon. MEMBERS: It does.

Mr. RYCKMAN: No. The man who buys the cream is the one who, under the law, is required to put the stamp on.

Mr. STEWART (Humboldt): But the cream is handled co-operatively.

Mr. RYCKMAN: Of course, if you allow yourselves, as the hon. member for Portage la

Prairie (Mr. Leader) permitted himself to be mulcted out of forty-two cents in his case, to be mulcted out of two cents on every five gallon can of cream that you sell, that is your own fault. It is rather interesting to me to know what taxes our friends to the left would willingly pay. I object as they do and as strongly as they do to these nuisance taxes. I cannot imagine anything that is a greater deterrent to business that interferes with the ordinary, smooth running of business, that indirectly is the cause of more heavy losses than these nuisance taxes. The sooner this country can get rid of them, the better it will be for the business of Canada. But so long as we have taxes to pay and debt to meet, I do not know where we are going to reach my hon. friends to my left unless we get at them through the milk tickets or in some other way. I will tell the hon. member for Mackenzie (Mr. Campbell) that I believe the stenographer who takes his letters in the morning pays more in taxes to this Dominion than nine-tenths of the people of his constituency. The people of the cities are taxed. They are not willingly taxed, but they pay. They pay grumblingly, but not with too much grumbling. I should like to know where it is in taxation that our friends to the left come forward and settle with their country. It is not in income tax.

Some hon. MEMBERS: Why?

Mr. RYCKMAN: It is only a very little in sales tax. Some hon. members ask "why" in regard to the income tax. The smallest fraction, under one per cent of the income tax of this country, I understand, is paid by the farmers.

Some hon. MEMBERS: Why?

Mr. RYCKMAN: How are they going to be reached? "Why", they say. Because there is a special income tax regulation covering them.

Some hon. MEMBERS: No.

Mr. RYCKMAN: There is. The ordinary clerk in a manufacturing establishment anywhere throughout Ontario has to pay upon everything that he buys. It is well known that the clerk in the office of the manufacturing establishment or in the shop pays more in taxes than the ordinary farmer does. I am not pleased by any means at the opportunity of getting even, because we can never do that; but one hon. member to-night inveighed against the city from which I come because it was found that some taxation was oppressive. I might tell him that 23 per cent of all the taxes that are paid in this Dominion are paid in and through the city of Toronto. I think the situation of the farmer is not as bad as it might be. It is better and getting better and, therefore, we might expect that on a matter of five gallons of cream they might be willing to pay or to have the dealer who buys from them pay the two cent tax.

Mr. GARLAND (Bow River): Did the hon. gentleman state that 23 per cent of the taxes of the Dominion were paid by the city of Toronto or the residents of that city?

Mr. RYCKMAN: About 23 per cent of the revenue collected by this Dominion is paid in and through the city of Toronto.

Mr. GARLAND (Bow River): That is different.

Mr. McBRIDE: The hon. member for East Toronto (Mr. Ryckman) has referred to the people in this section of the House as paying no taxes. He seems to think that the Progressives do not pay any taxes, and he refers to the people of Toronto as the ones who pay the taxes. I am a farmer, and I might say that I paid last year over $12,000 in taxes.

Mr. WARNER: I did not intend to speak for very long, but things are in such a shape that I shall have to take longer than I expected to do. It is late and I do not want to detain the committee longer than is necessary, but I should like the committee to understand the situation before it takes action in regard to this matter. I have a certain amount of pity for my hon. friend to my right (Mr. Ryckman), who has been pointing out how the farmer is escaping taxation. I intend to show, before I finish my remarks, that the farmer is not escaping taxation by any means and that he is paying under this arrangement more than his share. I believe also he does in a good many other ways. I will, however, pardon the hon. gentleman on account of ignorance on his part.

Mr. RYCKMAN: Tell us how you pay.

Mr. WARNER: I have not time to quibble over these matters. I want to show the unfairness of my hon. friend's statements. Several hon. members have discussed the exemptions already made. I should like to say something about that, but I do not feel like spending any time on it, because everyone knows that every fifty dollars that is issued in a cheque ought to pay its own share, whether it does or not. That is, every fifty dollar cheque should have a two cent stamp, and if the cheque is for a greater amount than fifty

dollars, a two cent stamp should be put on it for every fifty dollars or fraction thereof over and above the first fifty dollars in order to have a fair taxation. That is not being done, but I will not discuss that particular phase of the question. I desire to discuss particularly the creamery phase of this matter. I am a director in one company that pays most of its accounts in small bills, and this concern is doing more than any other in the country, taking into account the amount of capital involved, towards helping to make Canada prosperous.

Mr. ANDERSON: Is it a farming institution?

Mr. WARNER: It is connected with agriculture. Last year we had a turnover of over $3,500,000 and most of it comprised small accounts. We do not make many cheques of $50, and the few we handle of this denomination are used in connection with supplies. But in buying cream we do not make one of $50. I have here two different statements to which I shall refer. The other night I made a statement regarding this matter in the course of which I submitted several quotations, and to-night I want to put on Hansard the views of two different creamery managers one of whom is the secretary of the Dairymen's Association in Alberta with regard to the payment of this tax. We must remember that this is part of overhead; you cannot get away from that and you need not think it possible. The producer will pay it in the end simply because the world's market fixes the price obtained for the butter that is made in these creameries. The creameries cannot decide that the price shall be a little more and in that way make the consumer pay his share of the tax; it will come back finally to the man who is producing. In this connection I would point out that we have instituted the system now practised as a means of securing a better quality of butter and thereby giving a better return to the producer. That is what it was done for; it was not done in contravention of the law. I read to the House and put on Hansard the other day a statement from the secretary of the National Dairy Council pointing out that the dairy cheque had been interpreted by the Department of Customs and Excise as a receipt. It is not a cheque, and in following this interpretation they are acting on the advice of the department. They issue these receipts for milk and cream, and they are not doing it to get away from the law in any sense. I do not want to labour this matter, but I do want to impress on the committee the fact that the system which is now in operation, and which is the result of careful study over a number of years, is designed to produce the highest quality of butter from our cream. The cream has to be delivered in small lots and it requires almost daily deliveries to get it in such condition as would turn out the sort of butter that the markets of the world demand and which brings the highest price.

As to passing on this tax, I do not think that it will be doubted for a moment that it forms part of the overhead. On this point let me read what one creamery man says in Saskatchewan. Mr. J. A. Calder, president of the Saskatchewan creamery, writes to the editor of the Western Producer as follows:

Editor, The Western Producer:

Dear Sir,—I noticed a reference in your last issue to the new ruling proposed in the budget speech whereby grain tickets will in the future be subject to the revenue stamp tax. This is not so serious a matter, however, as the fact that it is proposed that cream tickets and produce tickets shall also be taxable. Tickets issued for grain are usually large tickets and it only means two cents on each $50.—

There are hardly any grain tickets for less than $50 and none for amounts less than $10. These therefore are out of the question altogether. Next come the creamery and produce tickets. I do not know how much produce would be handled by this method but the dairy cream receipts are the documents particularly referred to in this connection. He goes on to say:

—but last year our company alone bought 200,000 cans of cream with an average value of slightly under $5 per can—

Mr. ROBB: They are being relieved right now in that respect; they are no worse off than they were last year.

Mr. WARNER: I note that, and I thank the minister for what he has done. But I want to point out where he might do a little better.

—and if each one of these cream tickets had to bear two cent revenue stamps it would have meant $4,000 on last year's business—

Mr. ROBB: But they will not have to bear the tax under the proposed arrangement.

Mr. WARNER: I will give my view of the matter later on, if you please. I understand quite well that the amount now fixed is $5. This writer continues:

—and on a basis of the 1925 production it will cost the dairy farmers of the four western provinces at least $100,000, and this figure will possibly double every three years.

As you know the system in use in this country is to pay for each can of cream individually by a separate remittance. We must pay three cents postage on the letter and we must pay the bank five cents for cashing the ticket and then there is the stationery used, so that it now costs us ten cents to remit for

every can of cream, and the new proposal would mean twelve cents. This is a matter which very seriously affects the producers of cream in western Canada because we think it is a generally accepted theory that the producer or the consumer must absorb all such extra expenses.

That is what this manager says; he declares that they cannot absorb the expense, I hope the committee will pardon me if I read what another manager, also the secretary of the Alberta Dairymen's Association, says. In reply to a letter I wrote him he writes:

Replying to your letter of the 6th instant. the manufacturers certainly cannot stand the expense of the stamp on the coupons and, therefore, if the government does not rescind this tax on coupons less than $10, the cost will have to be passed on the producer and consumer and in this case no doubt the producer will have to bear the lion's share of the cost.

As for a substitute system—there is no system quite so good as the coupon. However, if the government does not rescind this tax, we will probably call the coupon a cheque and place deposits in the banks at which the coupons are issued. In this way, we will only be out the expense of a 2c stamp. However, there are all the banks outside of the points where coupons are issued, and it is a big job to arrange to keep cash in all of these banks.

As regards payment twice a month—I believe over 75 per cent of the farmers of this country would raise a howl that we would all hear about, if we were to go on a twice a month payment system. As you know, the farmers are hard-up and require cream money to pay current expenses.

And I know for a fact that they are.

Mr. ANDERSON: Who are the shareholders of that company?

Mr. WARNER: They are men who were not afraid to risk their money in a business that would make the country prosperous.

Mr. ANDERSON: What business are they engaged in?

Mr. WARNER: They are mostly farmers. This concern was started to create a market for our milk and cream, manufacturing it into butter—just what the hon. gentleman and all others want done in this country: they are turning out the finished article instead of letting our raw material go out of the farmers' hands at a sacrifice. They had to have their own creamery there in order to produce the finished article.

Passing this tax on to the farmer may seem a small matter to some hon. gentlemen. True, it does not amount to much on one five-gallon can of cream, but when the whole business of the dairy is run on five-gallon cans and five-dollar payments, it will be readily seen that the farmers would be paying more than their fair share of this taxation. I do not think any other business can be instanced that makes so many small payments. Some of the creameries are big affairs, handling the produce from thousands of farmers, and all of these farmers are doing business in a small way. But it must be borne in mind that these farmers are needed to make this country prosperous, and without a doubt such an unfair burden of taxation would be too much of a handicap on the business. Even if the minimum is raised to ten dollars, they would still be paying more than their share of stamp taxes, because only 25 per cent of their payments would be over ten dollars. In no other business are three-quarters of the payments under ten dollars. So you can see that this would be going after the small dairy man too hard altogether. For instance, ten small payments aggregating fifty dollars would involve five times the stamp duty which would be payable on a single cheque for the amount.

The minister has stated that we Progressives are in favour of direct taxation. We are; I told him so the other night. I believe the Progressives stand for direct taxation every time, but they want that taxation to be fair, and I point out to this House that this stamp tax on small tickets is very unfair for the simple reason that so many of the creamery accounts are paid by small tickets. A little under 50 per cent of these accounts will run over five dollars.

Mr. ROBB: My hon. friend a moment ago read a letter from the secretary of the Dairymen's Association stating that seventy-five per cent of the payments were under five dollars.

Mr. WARNER: The percentage would vary in the different creameries. At best it is only a guess.

Mr. ROBB: But the quotation my hon. friend gave a moment ago stated that seventy-five per cent of the payments were under five dollars.

Mr. WARNER: That might apply to that particular creamery. I am not quite sure what that letter did say, but from the various statements I have received covering a number of creameries I find that twenty-five per cent of their cheques are over ten dollars, and seventy-five per cent less than ten dollars. If I said five dollars I meant ten dollars. I think that is the way the statement ran, but I cannot delay the House to verify it now. I will give the minister the letter if he wants it but am sure his idea of the statement in Mr. Love's letter is wrong. On these percentages it is obvious that the dairy business is paying a heavier stamp tax than any other business.

Mr. ANDERSON: How often are the payments made?

Mr. WARNER: Daily as the cream is delivered. The average payments, as near as we can get at them, run a little less than fifty per cent under five dollars. Straight taxation is all right, provided it is fair, but I take it that the figures I have given are proof enough that it is grossly unfair not to raise the minimum to ten dollars. However, I am glad the minister is willing to put the minimum even at five dollars, and I only hope that he will go further and meet our views. I am talking of the creamery business from personal knowledge, and I know that we as members of parliament cannot afford to put any extra burden on a business that is carried on in this way, that is, it issues more cheques for amounts up to ten dollars than any other business of which I have knowledge. We want to encourage rather than discourage the creamery business, and I believe every creamery man is willing to carry on his business in a fair way and to stamp everything over ten dollars. Anyone acquainted with the dairy business would have no trouble in understanding the unfairness of not raising the minimum to ten dollars.

Now I want to refer to a matter brought up by my friend from Mackenzie (Mr. Campbell). I believe that our people in the country would not dodge the tax if every fifty dollars had to bear its share of stamp taxation. This would permit the minister to raise the minimum to ten dollars. I had intended to move an amendment to increase the minimum to ten dollars, but the minister having committed himself to the principle of exempting small cheques to the amount of five dollars, I rather hesitate to push my amendment. I sympathize with him in trying to get all the revenue he can for the country, but I do not believe he would lose much by acceding to our request. I believe yet that these creamery men will have to change their system of business. I think this is too heavy a tax, and that they cannot stand it. They will probably have to change their system to paying once a month or every two weeks. That would be a backward step, both depriving the farmer of the money for his daily expenses, and perhaps setting back the quality of butter a good deal. The farmers would not blame the creamery men, because the creamery men could not avoid it; they would blame the government. I do not think the government is going to get the revenue out of this tax they expect, because the creamery men will have to change their system, and that will mean less revenue for the government, and also discredit as well. I would ask the minister therefore to seriously consider whether he cannot raise the exemption to ten dollars rather than five.

10 p.m.

Mr. FORKE: I only want to say a few words in connection with this matter. Who pays the taxes?

Some hon. MEMBERS: What about the stamp tax?

Mr. FORKE: I listened with a good deal of attention to the remarks made by one of the members from Toronto. I think these gentlemen want to be fair. I really think that in making attacks on members in this part of the House and suggesting that the farmers are evading their taxes they do not mean to be unfair, but I want to call the attention of the House to the situation as we find it to-day. I can only speak for the western provinces; I do not know much about Ontario and Quebec. I have been a farmer all my life nearly, and have been used to handling small amounts of money. I do not know what it is to handle thousands and thousands of dollars, although I have handled some money in my time. At the same time I have paid some income tax. I do not like to speak in this personal way, Mr. Chairman, but one seems to be more easily understood when speaking from one's own experience. I want to tell hon. gentlemen in this House that I will be happy any year to pay income tax, and I would ask hon. gentlemen to my right, how can the farmers pay income tax if they do not make an income large enough to be liable to taxation? I see statements in the newspapers and have heard it stated at public meetings that the farmers are not paying their share of the taxes, and I have no doubt the men who make these statements think they are speaking correctly, but as a matter of fact the farmers for a great many years have not been in a position to pay income tax, but have been rapidly going in the hole. Those are the circumstances in which we find ourselves.

I know conditions in the western provinces; I know the conditions of the western farmer, and when I think of those homes and of the women milking cows and striving and struggling just to get the bare means of subsistence, and then when I come into the cities and see cars worth three and four and five thousand dollars and the evidences of wealth everywhere, it makes me indignant to hear hon. gentlemen get up and attack the farmer for not paying his share of the taxes. I am not playing politics; I have no intention of

doing so. I simply want to see justice done. The farmers are just as honest, just as upright, just as straight as any other class of the community, and they will pay their share of the taxes when they are able to do so.

Mr. ROBB: I fear the debate has drifted away from the item under consideration. I am glad that my hon. friend from Strathcona (Mr. Warner) is not going to press his amendment for the ten dollar exemption. If it was only a question of the creameries and milk factories, it would be an easy matter to settle, but it has a very much wider bearing than that. The proposed amendment which I shall move after these resolutions are passed will take in all items up to the five dollar limit.

I want to emphasize again that in bringing in this tax the government had not in mind the dairy industry particularly, because if there is one agricultural industry more than another that any government should encourage in Canada it is the dairy industry. It is slavish work. I agree with my hon. friend from Brandon. I know something about it myself, for I have milked nineteen cows before breakfast. But dairying enriches the land. The dairy farm is always a better farm than the grain growing farm, and the government are interested in encouraging the dairy industry throughout this country. All we desire is to make this tax equitable all over Canada.

I am glad my hon. friend is not going to press his amendment. If he did press it, he would be jeopardizing for a business of $12,000,000 the revenue of the government from a business of $82,000,000, for that is the proportion as between the value of the dairy industry in the three provinces in the west and all the other provinces east.

I have the honour to represent in parliament just as good a dairy county as there is in all Canada. I will give my hon. friend a list of the larger dairy counties in eastern Canada, and there is not a county in western Canada that has quite as many cows. In all these years the dairy industry of eastern Canada, ever since the act has been in force has been contributing to the revenues of the country through the men who purchased their products. The dairy farmer is running no risk in western Canada. As a matter of fact, the capitalization of the dairy factories in the west is higher than in eastern Canada. There were in 1924 sixty-six dairy factories in Saskatchewan, and ninety-one in Alberta. Of these, twenty-six are operated by the Saskatchewan Co-operative Creameries, eleven by the Moose Jaw Company, and thirty-eight by the Pat Burns Company. Now nobody will say that the Pat Burns Company is not a solvent concern. I think they can be trusted. People ship them their calf skins; I do not know whether they use that system in connection with calf skins or not.

The average investment in the dairy factories in Canada in 1923 was as follows—I will give only the round figures:

Saskatchewan	$42,000
Manitoba	41,000
Alberta	33,000
Nova Scotia	23,000
British Columbia	18,000
New Brunswick	16,000
Ontario	14,000
Prince Edward Island	5,000
Quebec	4,000

The value of the milk and cream handled in factories in some provinces in 1923 was, in round figures:

	Value Milk	Value Cream
Quebec	$14,790,000	$10,974,000
Ontario	22,000,000	16,000,000
Alberta	864,000	4,700,000

Now I will give figures as to the number of cows in the dairy business:

Province	No. of Cows
Ontario	957,491
Quebec	769,097
Nova Scotia	114,373
New Brunswick	105,054
Alberta	208,997

You will notice that Alberta has 208,997 dairy cows as against Ontario's 957,491; so that the business is very much larger in eastern Canada, and the dairymen in eastern Canada have been contributing during all these years to the revenues by paying this tax.

Now I will give the number of milk cows in a few counties in eastern Canada:

County	No. Milk Cows
Bruce	25,498
Carleton	30,251
Grey	32,642
Hastings	35,567
Oxford	52,560
Simcoe	30,427
Beauce	26,068
Lac St. Jean	25,072
Nicolet	24,395
Shefford	25,521
Chateauguay-Huntingdon	28,407

I am told that Alberta has only one district with anything like an equal number of milk cows. The dairymen of eastern Canada are not protesting against this tax. They have never protested. We might now go on with the resolutions, and I promise to move to adopt the limit of $5. I will try that out for this year and see how we get along.

Mr. LEWIS: I wish to make a reference to the statement that the farmers do not pay income tax. I have here a statement from one of the live stock departments, I am not

going to mention the name of the party concerned, and when the facts are disclosed there will be no need to wonder why we are not able to pay income taxes. In this case twenty-three cattle were sold and they weighed on the average a thousand pounds each. The total received for the twenty-three head was $474, but the following items must be deducted from that amount:

Freight charges	$42 35
Yardage	8 05
Fire insurance	15
Feed	7 80
Brand inspection	2 30
Health certificate	2 00
War tax	16
Selling commission	17 00
	$79 81

That is to say the net total received for the twenty-three head of cattle was $394, or an average of $17 per head. That statement shows why, in some cases, it is not possible to pay income tax.

Mr. ROBB: Before we proceed further I should like to put on Hansard the proposed sections of the act with respect to the stamp tax. First section:

No person shall issue a cheque payable at or by a bank or drawn upon or addressed to a bank and requiring or directing payment of a sum of money, unless there is affixed thereto an adhesive stamp or unless there is impressed thereon by means of a die a stamp of the value of, if the amount of money for which the cheque is issued, drawn or made

(I) does not exceed $50, two cents;

(II) exceeds $50, but does not exceed $2,500, for every $50 or fraction thereof, two cents;

(III) exceeds $2,500, one dollar;

and every adhesive stamp affixed to such cheque shall be cancelled by the bank at which the cheque is payable at or before the time of payment.

That is the law as to issuing a cheque. Now if a man fails to do that he comes under section 7:

Every person who issues a cheque payable at or by a bank to which there is not affixed an adhesive stamp or on which there is not impressed by means of a die a stamp of the requisite value according to the requirements of this section shall be liable to a penalty not exceeding fifty dollars.

Mr. COOTE: May I ask the minister a question right there? If the man who issues the cheque places a two cent stamp thereon has he not complied with the law, and would he be liable to any fine so long as he had put a two cent stamp regardless of the amount of the cheque?

Mr. ROBB: He must put on the stamps which the law calls for.

Mr. COOTE: I was told by a banker that there had been a judicial decision to that effect. This was two years ago but the law may have been changed.

[Mr. Lewis.]

Mr. ROBB: The law was changed.

Mr. COOTE: I want to ask the minister if he could not change the law so that the bank would have to affix the stamps before the cheque was cashed, and to allow a man to issue the cheque without the stamp? I think one reason why this stamp tax has been referred to by so many people as a "nuisance" tax is that very often they do not have the stamps with them when they wish to issue a cheque; very often we are put to considerable inconvenience to get stamps. There are many small communities through the country where there are no banks and no excise stamps offered for sale. A person is liable to a fine if he issues a cheque without a stamp, and yet there are no stamps available. I think there would be far less objection to this tax if the government could introduce some new regulation under which the cheque might be issued without a stamp, leaving the bank to affix the stamp before charging the cheque to the man's account.

Before I sit down I should like to refer to the question which was dealt with so ably by the right hon. leader of the opposition, that is the stamp tax which is now charged on notes. I do not think this could properly be referred to as a "nuisance" tax. We must find some stronger term to use, and the mildest term I can think of that would be applicable at all is an "iniquitous" tax. The idea that a man should be taxed because he is in debt is to me iniquitous, and even that is too mild a term to use. I want to bring to the attention of the minister once more the figures that were given to me by a banker in my own province showing what it cost some of the farmers to pay the stamp tax on notes which had been renewed for some years and which they have not been able to pay. I have here a case where over a period of four years one man had paid $42.89 in stamp taxes on his note, and he had not been able to reduce the note by one cent in that time.

Mr. ROBB: On renewals?

Mr. COOTE: Yes, on renewals. I have another case where the tax over this period of over four years on the renewal of this one note amounted to $101.38. I was assured by this banker and by other bankers as well, that they could give me a list running into hundreds of cases where there had been a tax on notes that the men were not able to reduce at all running in some cases from $10 up to $100. Now, I want to suggest to the minister—and I want to try and impress the fact upon him—that if he could not take this tax off notes that in all fairness he should

reduce it to the same amount as the tax on cheques and provide a maximum amount of $1, the same as cheques. At the present time there is no maximum. The money which he would lose by taking the tax off these notes he could easily raise by putting a tax on coupons when they are cashed at the bank. If cream cheques must bear a stamp when they are presented to a bank for payment I do not see why coupons should not also bear that tax. The minister might also consider the question of taking the tax off renewals although I may admit there might be some difficulty in administering that. I want to impress upon the minister that this tax is working a very great hardship. Not only farmers but retail merchants are complaining about this tax, and I think complaining with a great deal of justification.

Just a word before I sit down in reference to the statement made by one of the hon. members for Toronto in regard to farmers not paying income tax. The situation is simply this: If the farmers owe income tax and are not paying it the fault is with the Income Tax department. They should collect it. That is what they are here for. So far as I am concerned I would be glad to see every man who is liable for income tax compelled to pay it.

Mr. WARNER: Before we get too far away from the point under discussion I want to add a few words to what the minister has said. I want to point out to him that eastern Canada is an older settled country and it does not need these daily small payments so badly as the people do in the west. I want to point out to him that the people who are running the new system get a better quality of butter by accommodating the farmers with daily payments, and that it would be a backward step to revert to the system of payment every two weeks or every month. They really and sincerely feel that it would be a backward step. They went ahead with this system and they put their butter on the world's market independent of other Canadian butter, and they brought the price and the prominence of the western butter to the attention of the consumers in the world's market in a way which had never been done until they worked out this system. They feel they have a good system and do not want to change it, and that is why I am presenting their case to the minister. Why make them change this system and go back to a system they have already discarded, when the government will not be able to get the revenue out of it, simply because they cannot afford to pay and will have to change their system, rather than accept the five dollars instead of the ten dollars.

Mr. ROBB: I want to repeat again that the government wish to encourage the dairy industry. I did not make this change without some consideration, or without having received some representations. Two gentlemen called at my office. I thought they represented the men who were complaining about this. I would not like to give their names. I thought they knew what they were talking about. They pleaded for ten dollars, but I said no, we could not lose that much money. They said finally before leaving, "Can you not make it five dollars?" As a concession to them, I am making it five dollars, but I am making it a little wider and I think the House should let it pass.

Mr. WARNER: I want the minister to understand that I am not refusing the five dollars, but I desired to point out to him the way the creamery men felt on account of the fact that they would have to change their system. Although the minister does make it five dollars instead of ten, they feel it is a backward step. I am willing to accept it and under the circumstances I have already done so, but not without feeling that it should be ten dollars instead of five.

Mr. SPENCE: The minister has been good enough to explain the law in regard to putting stamps on cheques and the penalties. Will he be good enough to explain the law in regard to putting stamps on receipts. That is something nobody seems to understand. I am in a business where we have to issue two or three hundred receipts a week. Nobody seems to know whether we should put the stamps on monthly or weekly accounts if not paid in full.

Mr. ROBB: Receipts up to ten dollars are exempt.

Mr. SPENCE: I understand that. But suppose you send out an account for fifty dollars and the man is only able to pay ten, do you require to put a stamp on that?

Mr. ROBB: I should think so, but I will look into it.

Mr. WOODSWORTH: May I call the attention of the minister to a departmental ruling of the Customs department, file LB-1841, under which a merchant sending out a statement must put a stamp on it. It is complained of by a number of merchants in my own constituency because it involves in reality a duplication of taxes. I should like

to know if this could not in some way be altered.

Mr. ROBB: My hon. friend was not in the House at the time, but this matter has been brought up already, and if he looks at Hansard to-morrow he will see my reference to it. It is quite new to me. It is a new ruling is it not?

Mr. WOODSWORTH: Yes.

Mr. ANDERSON: I should like to call the attention of the minister to one phase of this matter which has not been discussed. In connection with certain retail stores they have a system of keeping their accounts with a machine, and slips or statements are put in that machine and each statement contains or has on it an account up to that date. At the end of the month when the purchaser settles the account he receives the bills or slips that are in the machine. They are handed out to him and he pays his money, but pays no tax at all. There is no stamp put on the little slips or bills or invoices. In this way they avoid payment of the tax.

Mr. ROBB: Are they marked paid?

Mr. ANDERSON: No, just taken out of the machine and handed to him. There is nothing in the machine to show the customer owes anything. Consequently they do not have to receipt a bill.

Mr. ROBB: It is not really a receipt?

Mr. ANDERSON: No, but by this method they are evading payment of the receipt tax.

Mr. ROBB: I quite believe my hon. friend's statement, and I know there are many ways of evading the tax.

Mr. LADNER: I do not know whether this matter comes really under this resolution but many of us have received insistent and persistent requests to press the minister to the point of retreat on the question of the lien against real property for income tax.

Mr. ROBB: That matter is not under the resolution but I am going to provide for it and will bring it up later.

The CHAIRMAN: This is in reference to the stamp tax.

Mr. CAMPBELL: I should like to make a reference or two to the remarks made by one of the members for Toronto. He said that the stenographer who wrote my letters paid more taxes than nine-tenths of my constituents. The statement is so far-fetched, so extreme and so devoid of all reason and truth that I almost hesitate to dignify it by making any reference to it at all. But when my hon. friend states that Toronto pays about 23 per cent of the total taxes of the Dominion, I wish to point out to him that those taxes in the last analysis are passed over to the rest of us who really pay them. We buy tens of millions of dollars worth of goods manufactured in Toronto, rubber belts, boots and shoes, hardware, clothing, machinery of all kinds and so on. The hon. gentleman is a business man and I presume operates his business on a cost plus basis, and every dollar of his expenses is passed back to the people who buy the goods. Toronto does not pay the tax. The taxes the farmer pays are not always visible, because after he pays the price of these goods he has not enough left to pay income tax. But he is paying a tax on every single article he buys, and if you take the four classes of primary producers, the farmers, the miners, fishermen and the lumbermen, they pay all the taxes.

Mr. LADNER: Is not everybody else paying the taxes likewise, excepting a little more so?

Mr. CAMPBELL: The point I was trying to make is that if the average man in the city who is not a primary producer, raises his standard of living, that extra cost is automatically passed on to his business. If my hon. friend from Vancouver, who is a lawyer, finds he needs a two or three thousand dollar motor car that he had not used before, his standard of living is increased to that extent and he charges his clients a little more for his services on that account. The business men who use his services pay this extra amount. The men who buy the goods from these business men pay for that car, and in that way the price of the car is passed back to these people, the primary producers, who eventually pay. That is an economic law. One of the problems the primary producers have to face is that the people in the cities have raised their standard of living during late years beyond the standard of living of a few years ago, which means that the distribution of goods costs a great deal more than it did in the older days. If my hon. friend will just take the price of wheat at a given point in the prairie provinces, and take the direct freight to the city of Ottawa, and the fair cost of the milling, or the amount allowed the millers—

The CHAIRMAN: I think the hon. gentleman is getting away from the resolution which is the stamp tax on cheques.

Mr. CAMPBELL: I would respectfully point out that this issue of taxation is involved.

The CHAIRMAN: Under this item we are not discussing the general theory of taxation. It has reference to one specific form of taxation. I just want to interrupt the hon. member in order to draw his attention to the limitation of the debate.

Mr. CAMPBELL: I will come down to the specific point. There is one thing against which I wish to protest. Before I left the West I was shown a note, not a very large note, on which were $8 worth of stamps. That note ran along for a long period. It was renewed every sixty days and on every renewal a new set of stamps had to be attached to it. That is a very great injustice. Surely the original amount ought to be sufficient, but every time that note is renewed, the whole tax is duplicated until you find in the end a tax of five, six, eight or ten times the original amount of stamps levied from the man who was unable to pay at the time his note fell due.

Mr. TOLMIE: I am sorry that I have not been able to hear the whole of the debate, but I wish to endorse what has been said by some hon. members to the left with regard to the value of the daily payment for cream. There is, perhaps, no single industry in the whole of Canada that will do more good to the country, that will do more towards setting agriculture on a good, sound basis than the development of the dairy industry. In the western sections of Canada, out on the plains of Alberta, Saskatchewan and Manitoba, where these people live under conditions that are quite different from those of the eastern farmer, where they are scattered over wide areas, where they are not closely situated together, they live under a good many disadvantages at the present time, and it requires something to induce them to go into the dairy business. There has been this attraction, particularly in those years when crops have been short and when the people have not been very well off, that for every shipment of cream they have received the cash immediately. In conversation with men interested in the dairy business to a large extent in that country, it has been clearly proven to me that these regular, daily cash payments for cream have been a very strong factor in the development of the dairy industry in that part of Canada. I am very glad that the minister has listened to the dairymen to a certain extent inasmuch as he has extended to them an exemption up to $5. I would rather have seen this extended to $10, but half a loaf is better than none.

Mr. COOTE: Would it be quite legal for a man who issues a cheque and who has not a stamp in his possession, to write on the cheque after the amount, the words "and stamp tax?" That is about the only way in which a man living in a locality where tax stamps are not sold, can, it seems to me, remain within the law if he must issue a cheque?

Mr. ROBB: I cannot give my hon. friend a ruling on that now as the act is not administered by my department, but I will direct his observations, as I intend directing especially the observations of all hon. members who have spoken to-night, to those who administer the act. I think their idea is to make it as light as possible. Later on, my hon. friend will observe that I am making some changes to avoid the severe penalties there have been in the past.

Resolution agreed to.

Resolutions 2, 3 and 4 agreed to.

On resolution 5:

Mr. ROBB: I beg to move that the resolution to amend the Special War Revenue Act, 1915, be amended by striking out the words "bill of exchange or" in the first line of clause 5. The clause as amended will read:

5. That any promissory note held by a bank as collateral security for an advance or other indebtedness and in respect of which advance or other indebtedness stamps of the requisite value under this section are affixed to the relevant bill, note or other proper document, shall not be subject to the provisions of this section. If such collateral is paid by a person liable thereon stamps of the requisite value according to subsection 3 (a) of this section shall before surrender thereof be affixed thereto and cancelled by the bank.

Mr. GARLAND (Bow River): What is the reason for the change?

Mr. ROBB: So that when the notes are deposited as collateral, stamps will be affixed only when notes are paid.

Mr. GARLAND (Bow River): Why remove bills of exchange from being subject to this tax?

Mr. ROBB: To make it uniform and to bring about simplicity in the administration of the act.

Amendment agreed to.

Resolution as amended agreed to.

Resolution 6 agreed to.

On resolution 7:

Sir HENRY DRAYTON: What is the revenue from receipts? Last year we had a

number of instances where people were evading the law by not giving receipts, by sending in bills stating that if a stub was torn off and sent back, that was sufficient, and no receipt was necessary.

Mr. ROBB: I will give my hon. friend the exact figures to-morrow. I do not have them to-night. I do not think there is any separation as between receipts and cheques. I think just the general revenue is given.

Resolution agreed to.

On resolution 8:

Mr. ROBB: I beg to move that the resolution to amend the Special War Revenue Act, 1915, be amended by inserting after the word "patterns" in the second line of the second paragraph of clause 8 the words "and dies". The clause as amended will read:

8. That subsection four of section nineteen BBB of the said act as amended by section three of chapter sixty-eight of the statutes of 1924, being the list of excepted articles not liable to the consumption or sales tax, be amended by striking out of said section three of chapter sixty-eight the words "gasoline engines to be used in boats bona fide used by individual fishermen for their own personal use in the fisheries" where they occur in lines twenty, twenty-one and twenty-two, thirty-eight, thirty-nine and forty, and fifty-eight, fifty-nine and sixty of said section three; and that the said subsection four of section nineteen BBB be further amended by adding thereto the following:

"Vegetable plants; lasts for boots and shoes including rubber footwear and patterns and dies for boots and shoes including rubber footwear; goods enumerated in customs tariff items 453e, 469a; articles and materials to be used exclusively in the manufacture of goods enumerated in customs tariff items 453e, 469a; materials, not to include plant equipment, consumed in process of manufacture or production which enter directly into the cost of goods enumerated in customs tariff items 453e, 469a."

Sir HENRY DRAYTON: What is the estimated amount of the reduction?

Mr. ROBB: In connection with the sales tax it is estimated that it will be $2,500, but since then we have added dies.

Sir HENRY DRAYTON: How much more will that represent—another $500.

Mr. ROBB: Suppose we put it at $1,000.

Sir HENRY DRAYTON: Does the minister think that $1,000 will take care of the reduction?

Mr. ROBB: I hope so.

Mr. SPENCER: What is the customs tariff now on small farm engines of from one to five horse-power?

Mr. ROBB: If it is a traction engine it is free.

[Sir Henry Drayton.]

Mr. SPENCER: No, but small stationary engines.

Mr. ROBB: Speaking from memory I think it is 27½ per cent.

Resolution agreed to.

On resolution 9:

Mr. STEVENS: I want to ask a question under this item regarding the lien under the sales tax—I am not talking about the lien under the income tax. Has the minister some amendment with regard to the lien under the terms of the sales tax?

Mr. ROBB: If the hon. gentleman will allow this resolution to carry I shall move as resolution 9(a) the following:

Resolved, that it is expedient to bring in a measure to provide that an advance made by any person on the security of bonds, debentures, stocks or other securities, shall be taxable quarterly at the rate of 2 cents for every $50 or fraction thereof.

Sir HENRY DRAYTON: What is the present bond?

Mr. ROBB: It is quite considerable. I might read the provision in that regard:

The bond or security to be given by licensed wholesalers or jobbers, as provided for under subsection 7, section 10BBB of The Special War Revenue Act, shall be for double the amount of the consumption or sales tax payable on the maximum amount of taxable sales made during any period of three months of the present calendar year.

Sir HENRY DRAYTON: This may make it worse.

Mr. ROBB: No, I do not think so.

Sir HENRY DRAYTON: It depends on the turnover; in the case of a small merchant this is an added burden. In the case of the large merchant it is a relief, but it is the opposite with the small man whose turnover is limited.

Mr. ROBB: This was intended to get after houses that were not reliable.

Sir HENRY DRAYTON: It seems to be a stiffening up in one instance. Is it necessary?

Mr. ROBB: Yes.

Resolution 9(A) agreed to.

Mr. ROBB: I move as a new resolution, 9(B) the following:

Resolved, that it is expedient to repeal section 17 of chapter 47 of the statutes of 1922, which makes the liability to the crown for payment of excise taxes specified in the Special War Revenue Act, 1915 a first charge on the assets of the debtor.

Sir HENRY DRAYTON: What is the effect of the amendment?

Mr. ROBB: We are merely repealing that lien.

Mr. CLARK: Does this deal with the sales tax or the income tax?

Mr. ROBB: It relates to excise taxes. I have a note from the Department of Justice forwarding a memorandum which outlines the objections to the legislation now on the statute books and the difficulties arising in the administration of it. The opinion is expressed in the memorandum that in view of these difficulties the legislation should be repealed.

Mr. LADNER: Is the minister bringing in a similar resolution in regard to the income tax as a lien against property?

Mr. ROBB: We shall come to that later.

Resolution 9(B) agreed to.

Resolution 9 agreed to.

Mr. ROBB: I move as a new resolution, 10(A), the following:

Resolved, that it is expedient to provide that the stamp tax imposed by The Special War Revenue Act, 1915 on a cheque, receipt for money paid by a bank, money order, traveller's cheque, post office money order and postal note, shall not be payable in respect of any of the said instruments which is for an amount not exceeding $5.

Mr. LADNER: I understood that the minister was going to draw to the attention of the department the question of statements in regard to monthly balances owing. This question was raised by the Credit Men's Association?

Mr. ROBB: Yes.

Mr. LADNER: Is the minister recommending the elimination of that?

Mr. ROBB: No. I shall direct it to the attention of the officers of the department, and see if they can give me any good reason for introducing it. It was only brought to my attention yesterday.

Mr. LADNER: It was imposed once, then it was cancelled for some weeks, and a few days ago it was re-imposed.

Mr. ROBB: The complaint must come from some men who are dodging taxes.

Mr. LADNER: It is from the Credit Men's Association of Canada.

Resolution 10 (a) agreed to.

Resolution 10 agreed to.

Resolution 11 agreed to.

CUSTOMS TARIFF 1907 AMENDMENT

Resolutions reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 118, to amend the Customs Tariff, 1907.

Motion agreed to and bill read the first time.

SPECIAL WAR REVENUE ACT

Resolutions reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 119, to amend the Special War Revenue Act.

Motion agreed to and bill read the first time.

SUPPLY

SOLDIERS' CIVIL RE-ESTABLISHMENT

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

Soldiers Civil Re-establishment—salaries, $21,500.

Hon. H. S. BELAND (Minister of Soldiers' Civil Re-establishment): Mr. Chairman, there is not much change in this vote. There were eight employees last year, there are six this year, the supervisor of expenditures and the head clerk having been dispensed with, which accounts for the reduction in the vote. The reason that the civil government vote has always been presented in this way is, I think, that originally it was intended to mention only the permanent staff, and it does not in any degree reflect the number of employees of the department.

11 p.m.

Mr. CLARK: How many employees are covered by the item?

Mr. BELAND: Page 102 gives the details: One deputy minister; one assistant deputy minister; one assistant secretary and chief clerk; one principal clerk; one storekeeper; one departmental librarian. In addition there is an allowance of $600 for a private secretary.

Mr. STEVENS: I do not want to be charged with reflecting on any of these civil servants, but would the minister tell me how many deputy ministers are in his two departments, Soldiers' Civil Re-establishment and Health?

Mr. BELAND: There is a deputy minister in each department.

Mr. STEVENS: Again I do not want to be charged with any reflection on these gentlemen, but we have before us a vote for $6,000 for a deputy minister of this department and another vote of $5,000 for an assistant deputy minister. No doubt they are competent and

capable officials, but they preside over a staff of only four. Does it not look to be just a trifle top-heavy, $11,000 for two first class, highly trained, competent men to preside over so small a staff? Frankly, I think the time has arrived when we must look that fact in the face.

Mr. BELAND: I am very glad, Mr. Chairman, that my hon. friend has asked the question. The number of employees in the department is not 6; it is 2,422.

Mr. STEVENS: That is very nice. That is the number in this particular branch?

Mr. BELAND: Yes. I have endeavoured to explain that originally, under the former administration, only six or perhaps a few more, perhaps ten or twelve in all, were mentioned in the civil government estimates, the reason being that the large majority, practically the totality of the members of the department, some 8,000, were only temporary employees. They have been reduced in number very considerably year after year. During the former administration the number of employees was reduced in some years by over 1,000, perhaps 1,500; three years ago the number was reduced by 1,000, and two years ago by some 700 or 800. Last year again, the number was reduced by 600, or thereabouts. The number of employees still drawing salary in the department is 2,422.

Mr. STEVENS: What does that include?

Mr. BELAND: It includes all the employees in the administrative work, all the employees in the Vet Craft shops, all the employees in the limb factory, all the employees and doctors in the hospitals of the department, all the physicians who are employed full-time outside of the hospitals for pension examination, and so forth. In a word, it includes all the employees of the department. The number of these employees on the 1st January, 1924, speaking from memory, was 2,922. On the 1st of April last, the number was 2,422, so that during thirteen months, continuing the reduction process which had been started, the number of employees had been reduced by 500.

Perhaps this would be a proper occasion to set right some opinion which has been expressed as regards the cost of administration of the Department of Soldiers' Civil Reestablishment. Speaking personally, I have not the remotest desire to be in charge of the department one day longer than I am desired, but I must say that the work which is new being discharged in Canada in connection with this department will be maintained for a large number of years to come, and the number of employees engaged in the work of the department will be reduced by a smaller margin as the years go by. The time will come, I should say within five or six or perhaps ten years, when you will not be able for a long number of years thereafter to reduce the number any further. And why? Because the department has the whole administration of pensions, which involves the paying out in one year of $34,000,000. It would be a simple matter to pay $34,000,000 to one man, but it is an altogether different thing when you have to pay pensions to 64,000 different people every month, and when a large number of those pensioners are not permanent in their disability, thousands of them in the course of one year being either reduced, cancelled or increased, thousands of new pensions being awarded during one year, and hundreds, if not thousands, of children being born to pensioners and who have also to be taken into account. That is one feature of the work.

But there is another feature, and that is the paying of pensions to Imperials in Canada. The amount that is being paid on account of the Imperial government to Imperial pensioners in Canada is around $10,000,000. The department is acting in Canada for the Imperial government in regard to these pensioners.

Mr. ROSS (Kingston): Is not that a large increase? Last year it was only $7,000,000.

Mr. BELAND: Yes, there is a large increase.

Mr. ROSS (Kingston): To what is the increase due?

Mr. BELAND: That includes also the pay and allowances which are paid to Imperial pensioners who are under treatment in Canada.

Mr. CALDWELL: Is this $10,000,000 of Imperial pensions included in the $34,000,000?

Mr. BELAND: No, it is in addition to that.

Mr. HOEY: Do the Imperial authorities pay the cost of administering those pensions.

Mr. BELAND: They do. We are reimbursed, but we have to provide the money in the first place. We have a section in the department which is called the Imperial section, there being 105 employees in that section alone.

Mr. ROSS (Kingston): The increase in Imperial pensions seems enormous. Are there more Imperial pensioners coming out?

Mr. BELAND: Perhaps there are. I can give later on when we consider the item for pensions the exact number of Imperial pensioners in Canada last year and this year. Now I am just making a general statement.

Mr. CALDWELL: Is the Dominion government reimbursed by the Imperial for both the Imperial pensions and the cost of administering those pensions?

Mr. BELAND: Yes. I want only to set at rest the minds of my hon. friends on the other side; for instance, the hon. member for York-Sunbury (Mr. Hanson) and the hon. member for Yale (Mr. Stirling), whose presentation I very much admired the other day. I did not care to interrupt the hon. gentleman, but he went so far as to say, unintentionally and unwittingly, I am quite sure, that 71 per cent of the amount of money which is voted for this department goes into administration expenses. If it were true, if half of this were true, if only one-quarter of it were true, I would be the first man to be scandalized. As my hon. friend from York-Sunbury has said himself, it would indeed be scandalous. But what is the situation in this connection? I appeal to my hon. friend from Yale not to stake his reputation on the statement he made in this connection, because it is absolutely inaccurate. What is the total amount involved in this department in one year? It is $51,000,000, and every cent of it is administered by the Department of Soldiers' Civil Re-establishment. Now how did my hon. friend contrive to arrive at the figure that 71 per cent of $51,000,000, or whatever it is, has been expended in administration? My hon. friend said that only a small share of that money goes direct to the men; the balance of it is expended for salaries and administration. Now what are the facts? I ask the question without any idea of creating the impression that my hon. friend has been misleading the House. I do not think it was his intention; nor do I think it was the intention of any newspaper man who publishes such broad and unwarranted statements; but it is time—it may be late in the day; perhaps it should have been done long ago—that this matter should be explained fully to hon. members. Let us take the amount which goes directly to the men in cash. In the first place the sum of $33,048,000 is paid in pensions. This is money that goes to the men or to their dependents without the omission of one cent. The balance left from that $51,000,000 would be about $18,000,000. How is that made up? In round figures the sum of $4,463,000 is paid to the Imperials either in pension or in pay and allowances. Is there anything else being paid to the men in cash? Surely. What else? Pay and allowances to the men who are being treated in hospitals. The men who are admitted into hospital for treatment receive not only shelter, clothing, food, and medical care but they receive also pay and allowances. But the amount paid to the men under treatment varies according to whether the man is single or whether he has a wife or a wife and children. The amount of pay and allowances is $2,314,044.59. This money is paid in cash to the men or their dependents. There are also pay and allowances made under a certain order in council and the total of the two classes of payment is $2,816,000.

Sir HENRY DRAYTON: That figure does not agree with the vote.

Mr. BELAND: My hon. friend does not take into consideration other allowances, smaller in character, which help to make up the total. The hon. gentleman may accept my word that the pay and allowances amount to $2,816,000. Add the $33,000,000 odd for pensions to Canadians, or to the dependents of those men, and the $4,463,000 paid to the Imperial pensioners in pensions and pay and allowances. There are still other sums that go to the men in cash. We must consider the salaries that are paid to the men in the craft shops under the jurisdiction of the department; they must be paid because they are suffering from disabilities that do not permit them to seek employment elsewhere. We have three or four hundred of these men employed by the department in shops and these men draw their salaries in cash. Now let us take insurance. The department administers a soldier's insurance which is not a very considerable branch.

Mr. CLARK: Before the minister passes to the subject of insurance, can he tell us what the administration expenses are for the payment of all the pensions?

Mr. BELAND: Yes, I am coming to that; I will be pleased to give my hon. friend those figures.

Sir HENRY DRAYTON: The minister did not state how much is paid for salaries in the craft shops?

Mr. BELAND: In wages to operators $95,822. Now let us take vocational loans, that is to say the loans made to the men who have completed a course of vocational training under the department and who secure a loan from us in cash for the purchase of

equipment. The money thus paid to them in cash for the year 1923-24 was $37,893. The war service gratuity is also money paid to the men in cash. Now we come to the returned soldier's insurance—

Mr. POWER: Will the minister be kind enough to tell us how much was paid in war gratuity last year? It would not amount to much.

Mr. BELAND: It is a small amount, $30,769.

Mr. POWER: The amount should be diminishing every year.

Mr. BELAND: It is, yes. Now on account of the deaths of soldiers who carried insurance with the department we paid out during the same year $241,887 in death benefits; $203,704 in annuities; and $917 in disability benefits. Then there must be considered cash surrender values, return of premiums, and so on, making a total paid in cash to the men in connection with returned soldiers' insurance of $483,000. Surely not a single one of the amounts I have mentioned can be claimed as money spent for administration. Out of the total of $41,000,000 odd that I have mentioned there is not a single cent which is not paid directly to the men.

Mr. GARLAND (Bow River): Would the minister be good enough to give us the figures for the amounts paid to disabled men who are in the employ of the department, in their own shops? He has overlooked that figure.

Mr. BELAND: Ninety-five thousand dollars odd.

Mr. ANDERSON: Do they correspond with the figures for 1923-24.

Mr. BELAND: Yes, they correspond closely with the figures for that year.

Mr. ANDERSON: I think there is a difference.

Mr. BELAND: We had a supplementary estimate that year which probably accounts for the difference. The hon. member is referring to the main estimates.

Sir HENRY DRAYTON: The estimates of last year are before us.

Mr. BELAND: I refer to the year 1923-24. That is the statement I have. But they coincide pretty well from year to year. Now let us consider another point. In addition to this amount which is paid in cash to the men or their dependents a large amount of money is paid for services rendered to the men. For example: We have the item of medical attendance upon soldiers who require an operation, or who require any medical treatment. I ask any hon. member in this House, in all sincerity, is that money which is being expended for attendance on a soldier in a hospital not equivalent to money which is paid to him direct? It is for a service which is of benefit to the men; and if you handed the money to the man himself he would employ it for that very service. Are the services of nurses attending our soldiers not to be considered as equivalent to a direct payment, inasmuch as if we handed the money to the men they would pay for the services of the nurses? I will go one step further. Is not the money which is being spent and paid to experts, skilled workmen, to make limbs for the thousand amputation cases which we have in Canada equivalent to the money paid to the men themselves? If we supplied the money to the amputation cases what would they do with it but provide artificial limbs? I quote these as examples. We have a large number of medical men in Canada employed in this department. I have the figure here and I will give it later. These men are not employed for administration purposes, except in very few instances, but they are employed for the purpose of rendering certain services to the men, which is equivalent to paying the money to the men themselves. What is the amount of money which is being used for those services? It is $5,648,118.

Sir HENRY DRAYTON: Which item of the estimates is that under?

Mr. BELAND: Care of patients, for instance, employer's liability compensation, vocational training, transportation of blinded soldiers, sheltered employment and so on. Now what is the amount that is to be used for administration purposes? I desire to make a general statement of the cost of administration. First, we have general administration salaries, $1,806,358. I grant you that is a large amount, but not at all disproportionate to the administration that is required for it.

Now under the heading "General" we have:

Telephones, telegrams and postage	$51,689
Transportation and travelling of staff	53,760
Stationery, printing and office supplies	66,164
Rent, taxes, insurance and bonding	8,333
Light, heat, power and water rates	11,364
Maintenance and repairs	4,000
Automobile supplies and expense	15,454
Freight and express	6,577
Advertising and publicity	1,918
Miscellaneous supplies and expense	31,381

Making a total of $250,491. Then we have:

Medical administration—	
Salaries—	
Medical services	$337,976
Dental services	10,971
Provisional bonus	21,653

Making a total of $368,201.

Then we have under the heading of "General" in connection with medical administration the following items:

Telephones, telegrams and postage	$10,440
Transportation and travelling of staff	28,042
Stationery, printing and office supplies	15,828
Automobile expense	3,492
Miscellaneous supplies and expense	2,137

Making a total of $59,941, or a grand total of $2,485,645, which is equivalent to a little below five per cent of the amount that is being administered by this department.

Sir HENRY DRAYTON: Look at vote 284, and you will see that under the heading of salaries you have administration, insurance and training, hospitals and clinics, making altogether an amount of $3,100,000. Last year it was considerably greater. They are all put down as salaries here.

Mr. BELAND: I agree with my hon. friend, but I have attempted to point out that under the item of salaries is included the salaries of all these parties I have referred to, all the physicians in the hospitals, all the physicians outside the hospitals engaged in the examination of pensioners all over Canada, probably 30,000 disabled pensioners, who are examined under the instructions of the board every six months. Then we have the nurses, the staffs in the hospitals, orderlies and so on. The item for salaries covers them all. So that I say, Mr. Chairman, it was an unhappy reference by, I think, my hon. friend from Yale (Mr. Stirling) the other day. I do not think the hon. member has given this matter the proper attention and perhaps he was led into making the statement because he had read something in the newspapers about it. But those are the conditions. That the staff should have been reduced every year as the years went by was conceded by everybody, and the staff was reduced year by year to a large extent. Since I have been in the department I have no doubt we have reduced the number of employees by over 3,000. We have reduced the number in the course of the last year, plus one month, by 500, and I pray hon. members to note that a large proportion of these employees are returned men themselves and in many cases disabled soldiers. It is always a difficult task for any minister to retire an employee in a department such as this. It is perhaps an easy task for my hon. colleagues to retire officials, but it is painful to be obliged to retire men who have seen service and suffered disability, who have wives and families, and who are receiving a salary of $1,200, $1,500 or $1,800. It is not agreeable. It would not be agreeable to any man. We take all necessary precautions in these reductions of staffs. We notify the man beforehand; we give him two or three months' notice, and we provide for the payment of two months' salary after retirement. If a man, who has been a faithful servant, but who is surplus, finds that after two months he is unable to secure employment, and if he claims that he should have one more month in order to attempt to secure a job somewhere else, we allow it. But administer it in any way you like, it is a painful and difficult task, and I do not think you could decrease the number by more than fifty a month at the best. That is what we have been doing. I have given this explanation because it was due to hon. members. I am quite certain that in many minds the idea prevails that at least fifty per cent of the money voted in the House of Commons for the soldiers was money that went for administration expenses. That is absolutely beside the mark. The department does not claim perfection. The department has been administered by men of ability, regardless of who was the head under the previous administration or under this administration, by men who have seen service overseas, everyone of whom, with barely one or two exceptions, has seen honourable service in France. It is only due to them that we should tell the House that they are working every minute of their time, and to my personal knowledge, after hours fifteen days in a month. The situation cannot be otherwise because, when you retire in one week ten or twelve people, they were doing something. While perhaps they were not doing a day's work, you have to load other employees with the work, and they have to go back to their office after five, or six or seven o'clock in the evening in order to acquaint themselves with the new work that has been placed in their care.

The idea has prevailed that the medical staff is too large. I have myself many times felt that, perhaps, we should be able to reduce the number of physicians whom we employ in our hospitals. I look at Christie street in Toronto where there is a large hospital with five or six hundred patients, patients who come in and patients who go out, some who remain for two, three or four years and some who remain for one month or two or three months. We have a large staff of medical men there. But that is not all. Not only are the medical

men working in the hospitals, but they are administering what we call clinical treatments to hundreds at Christie street hospital. I have seen that myself. I wanted to satisfy myself that such was the condition. Last year we administered more than 160,000 different clinical treatments. When a soldier comes into a hospital or the unit—it is the same place now in Toronto because we have contracted the service and everything is now under one roof—seeking treatment, it is impossible to say to that man: You are looking for treatment; you cannot have it; you have to go out; you will not be attended to. That man must be admitted and you must have a physician examine him. His case may require services of a specialist or, perhaps, two or three specialists. This is now about seven years after the war. A disability that has been recurrent after two, three, four, five or six years may be very much complicated, and it may require an X-ray man to take radiographs of this man's body. It may require a surgeon to ascertain that an operation is not needed. Heaven knows that we make mistakes, especially in the medical profession. It is too well known that in many cases the diagnosis is not made as it might be; but, as the hon. member for Kingston (Mr. Ross) knows that is the weak side of our profession, and unhappily amongst our medical men there are some who make mistakes like the rest of us. You have to examine this man; you have to decide whether he requires treatment or not, and you have to admit him to hospital or to refuse him. All that requires services, and nobody will give you those services for nothing, especially if it is the government that requires the services. It is my expectation that the number of employees will be further reduced in the course of the present year by a few hundred and probably next year also, although the number of patients is about the same as it was twelve months ago. When we are on this item "care of patients", I might explain that last year we had in our hospitals, I think 3,730 patients, and the last figure I have of patients under treatment is 3,704, or only a few less than last year. It is sometimes claimed that the department is too severe, that our medical men are refusing treatment to people who are entitled to treatment. I do not know whether this accusation is well founded or not, but at all events I have never heard that the medical men in the employ of the department have allowed into the hospitals patients who should not be allowed. I do not know of any man who is being treated to-day who does not deserve treatment. It may be that some may claim that a few soldiers are not being treated who are entitled to treatment. In the last instance we have to abide by medical opinion, because this is largely a matter of medical appreciation. I am sorry that I have detained the committee so long, but I thought it was only fair that I should give hon. members this explanation.

Mr. CLARK: I asked the minister during his remarks to state the cost of the administration of pensions. He said that he would give me the figures, but he has not done so. I would like to draw the attention of the committee to one point in connection with a statement made by the hon. member for Yale (Mr. Stirling), who does not happen to be in his seat at the moment. That hon. member did not refer to the amount that is being expended for pensions nor to the cost of administration for pensions. My impression has always been that the cost of administration for pensions is comparatively small. The hon. member for Yale was referring to an entirely different matter. He was distinguishing between the cost of administering pensions exclusively, and the other branch of soldiers' civil re-establishment, and if any statement has been made which is not correct the hon. member for Yale will be only too glad to see it corrected. I invite the minister now to give a concise statement of the cost of administering pensions as distinguished from soldiers' civil re-establishment.

Mr. BELAND: There is no information available on the question. There is no proper administration of the pensions except that which is being carried out by the department; there is no administration of pensions outside the department.

Mr. CLARK: Is there no information available to enable the minister in the future to tell us how much it costs to administer pensions to the extent of $34,000,000 annually?

Mr. BELAND: It would be very involved accounting work, although it might be done. The hon. member will bear in mind that the employees who administer the allowances to the men in hospitals also administer pensions. We have only one department under one roof in Ottawa; all these employees are at their desks and do whatever work of administration is required of them. At one time pensions were administered by a pension board entirely outside of the department; that was previous to 1921. It was my immediate predecessor who combined both the administration of pensions and that of the re-establishment department proper. At the time that was done about 800 employees were

transferred from the Board of Pension Commissioners to the Department of Soldiers' Civil Re-establishment and the amount of money paid for the administration of the pensions by these 800 employees was some $880,000. That is the only information available. It may be that after many years of practice and training on the part of the employees the amount would be much smaller if the administration of the pensions were entirely in the hands of a separate board; but at the time of the merging of the two branches there were transferred to the department proper, as I have said, some 800 employees.

Sir HENRY DRAYTON: The way the estimates are prepared invites the kind of comparison which the minister complains of.

Mr. BELAND: I grant you that.

Sir HENRY DRAYTON: There is nothing whatever in the vote for the soldiers' civil re-establishment, on its face, to show that there is anything in it having regard to pensions, while on the other hand item 94 provides for salaries and contingent expenses of the Board of Pension Commissioners for Canada. Under the heading of pensions we are paying $109,380 in salaries. It is obvious therefore that anyone taking up the government's figures must work out the same result and come to the same kind of mistake, if it is a mistake, as did the hon. member for Yale.

Mr. BELAND: Item 94 has no reference at all to administration; the amount of $89,000 asked for covers the salaries of the immediate personal staff and ten medical advisers. I grant you that, placed as these figures are in the estimates, my hon. friend from Yale might have been misled; but he should not have been misled to the extent of saying that 71 per cent was going into administration. That was absolutely beyond the mark. But if the item for pensions were placed with the estimates of the Department of Soldiers' Civil Re-establishment, it would be seen immediately that the amount paid out in administration in this department can compare favourably with the cost of any other department in the government or of any business corporation in Canada. At any rate, not being a business man myself, that is the information I have received from an accountant of experience whom I asked to give me the real situation.

Sir HENRY DRAYTON: Now, the minister graciously told us that he did not want to hold the committee. It is now ten minutes to twelve; can he not let us go? I make this suggestion with certain feelings of commiseration for the minister; I dislike to see all the government's pre-election statements going by the board one after another. I dislike to see the promise in regard to eleven o'clock adjournments being broken.

Mr. CAHILL: That is not a pre-election statement.

Sir HENRY DRAYTON: If we are unable to rely on the pre-election statements of the government, at least we might be pardoned for assuming that we have some right to rely on their statements made since we have been in this House. I suggest that we might pass this item and adjourn.

Mr. BELAND: Surely, after all my exertion in giving the long explanation I did to the committee, an explanation rendered unavoidable by reason of the statements made by the member behind my hon. friend, he will reward me by allowing a larger item to pass. I was expecting that the whole estimates of the department would be adopted to-night; I have given a long explanation and supplied a good deal of information.

Sir HENRY DRAYTON: I made a very fair proposition to my hon. friend. We will let the item go through and adjourn.

Mr. ROSS (Kingston): On this item, we have been so far discussing matters relating to something else. While I have little to say about this particular vote I shall have a good deal to say on some other items. There are certain items on pages 22 and 23, and on page 56 again we have votes for soldiers' civil re-establishment. Some of these subjects I should like to deal with.

Mr. BELAND: Let us adopt a few items to show that we want to make some progress.

Mr. CLARK: I think the minister has had enough experience of members on this side of the House to know that we wish to do everything to facilitate these matters, but it is most unreasonable for him to expect us at this late hour to go into these items in an intelligent manner, and in fact it is unfair to the soldiers to attempt it.

The CHAIRMAN: Shall item 36 carry?

Sir HENRY DRAYTON: We want to see on what understanding it is carried. If we adjourn afterwards it will be all right. I thought I made a very fair offer ten minutes ago.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 11.55 p.m.

Wednesday, May 13, 1925

The House met at three o'clock.

BANKING AND COMMERCE COMMITTEE

Mr. VIEN presented the third report of the select standing committee on Banking and Commerce.

AGRICULTURAL CREDITS

Hon. J. A. ROBB (Acting Minister of Finance) moved:

That sessional paper No. 152, supplementary report on agricultural credits by H. M. Tory, and laid on the table on March 31 last, be referred to the select standing committee on Banking and Commerce.

Motion agreed to.

CROWSNEST PASS AGREEMENT RATES

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I lay on the table a return in reference to the Crowsnest pass agreement rates.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

OLD POST OFFICE SITE—VANCOUVER

Mr. BLACK (Yukon):

1. Having reference to the old post office site, corner Pender and Granville streets, Vancouver, British Columbia: (a) has the government advertised this property for sale; (b) when were bids due; (c) how many offers were received and from whom; (d) what was the highest tender, if any?

2. Before advertising the said property, did the government secure estimate of value by individual appraisal; if so, by whom was the property valued and what was the amount of the said appraisal?

3. Has the government secured information of the value of property similarly located which has been sold?

4. Is the government aware that there has been considerable movement of property in Vancouver in this neighbourhood, with the prospect of steadily increasing values in the near future?

Hon. Mr. KING (Kootenay): I would ask that this question be allowed to stand for the present. The government have advertised the property referred to, and tenders have been received which are now under consideration.

Question stands.

ACCUMULATIONS OF WHEAT FROM SAMPLES

Mr. COOTE:

1. What amount of wheat was accumulated from samples at the grain inspection offices at Vancouver, Calgary, Moose Jaw, Saskatoon, Winnipeg, and Fort William, in each of the years 1923, 1923 and 1924?

2. How was this wheat disposed of?

3. What was the revenue received for same, at each of the above points during these years.

4. What disposition was made of the revenue from sale of this wheat in each case?

Hon. Mr. LOW:

1.

	Vancouver	Calgary	Moose Jaw	Saskatoon	Winnipeg	Fort William
	bus.	bus.	bus.	bus.	bus.	bus.
1922	Nil	535	32	Nil	8,464	3,289
1923	260	1,045	Nil	Nil	10,370	3,871
1924	685	977	24	210	8,288	3,700

2. The accumulated samples at Vancouver were sold to the Vancouver Milling Company; at Calgary to the Robin Hood Mills principally; at Moose Jaw to the Robin Hood Mills; at Saskatoon to Jas. Richardson and Sons; at Winnipeg to the Ogilvie Flour Mills Company; at Fort William to the Bole Grain Company with the exception of a few loads sold to the James Davidson Feed Mill and some sacks to a few individuals.

3.—

	Vancouver	Calgary	Moose Jaw	Saskatoon	Winnipeg	Fort William
1922.. ..	Nil	$ 460 17	$26 28	Nil	$ 7,317 30	$2,630
1923.. ..	$326 59	806 58	Nil	Nil	8,000 05	3,096
1924.. ..	842 78	1,227 84	18 38	249 37	10,563 71	3,700

4. All revenue received from the sale of this wheat was deposited to the order of the Receiver-General by bank drafts through the Department of Trade and Commerce.

DEPARTMENT OF AGRICULTURE—EMPLOYEES AND SALARIES

Mr. SUTHERLAND:

1. What was the total number of employees permanent and temporary of the federal government at Ottawa and elsewhere, connected with the Department of Agriculture, in the month of January, 1925?

2. What was the total amount of salaries and bonus paid or due to the said employees for the month of January, 1925?

Hon. Mr. MOTHERWELL:

1. Total number of employees January 1925, 1,569.

2. Total amount of salary and bonus, January 1925, $228,506.13.

This does not include ordinary day labour, which is constantly changing.

WEMBLEY EXHIBITION—PROFICIENCY IN FRENCH OF CANADIAN OFFICIALS

Mr. DECHENE:

1. How many Canadians, able to speak the French language fluently, are in the employ of the government at Wembley exhibition, England?

2. What are their names, positions and respective salaries?

1. Eleven.

2. Name—Position—Salary.

A. W. Tolmie, Canadian Government Exhibition Commissioner, $4,320; J. O. Turcotte, Chief of Decorating Division, Exhibition branch, $3,240; J. Sylvain, Labourer, Exhibition branch, Sixty cents per hour; W. Bayard, Foreman painter, Exhibition branch, Ninety cents per hour; Wm. Tomney, General utility man, Exhibition branch, Sixty-five cents per hour; E. C. Leveille, Constable, R.C.M.P., $120 per month; J. G. Pelletier, Constable, R.C.M.P., $2 per day; J. P. A. Savoie, Constable, R.C.M.P., $2 per day; Eric Brown, Director, National Art Gallery, $4,500; H. S. Spence, Engineer, Mines branch, grade (4) Department of Mines, $3,720; Yvet Lamontagne, Assistant Trade Commissioner, Department Trade and Commerce, $1,920.

IMPORTATION OF POTATOES FROM UNITED STATES

Mr. DOUCET:

1. What was the total importation of potatoes from the United States of America into Canada, during the respective months of January, February, March and April, 1925?

2. What was the rate of customs tariff applied to such importation?

Hon. Mr. CARDIN:

1.

Month	Pounds	Value
January	2,086,665	$ 25,372
February	3,126,789	32,890
March	3,076,892	33,496
April	2,797,096	35,885

2. 35 cents per 100 pounds.

POSTMASTER, ALDOUANE, N.B.

Mr. DOUCET:

1. Has the Post Office department received correspondence asking for the dismissal of the postmaster, at Aldouane, Kent county, New Brunswick?

2. If so, what is the nature of the complaint?

3. Who laid the information?

4. If for political partisanship, will an investigation be held?

5. Who is the official investigator named by the government?

Hon. Mr. LAPOINTE (for the Postmaster General):

No complaint has been received at the department.

UNOPPOSED MOTION FOR PAPERS

QUEBEC RIOTS—COLONEL MACHIN'S REPORT

Mr. DOUCET:

For a copy of the report of Colonel Machin to the Governor in Council respecting the Quebec riots of 1917.

DOMINION NOTE ISSUES—REDISCOUNTING

Mr. W. C. GOOD (Brant) moved:

For a return showing: 1. The amount of Dominion notes advanced under the War Finance Act of 1914 (with amendments), and outstanding at the end of March, June, September and December of each year from 1914 until the present year.

2. The amounts of securities accepted as a basis for the foregoing issues of Dominion notes, given for the same periods.

3. The different classes of securities and the various amounts of each accepted for rediscounting, for the same periods.

4. The different institutions (banks) which took advantage of the rediscounting privileges, and to what extent, for the above mentioned periods.

Hon. Mr. ROBB: On Monday, in the absence of the mover, I asked that this resolution should stand as I wanted to direct his attention primarily to the expense involved in preparing this return. I am not sure what good service may be served by compiling the information asked for. My hon. friend, who is chief whip of the party that stands for economy, will observe that the preparation of this return will not promote that purpose. That is one objection. Another possible objection is that we should be giving out separate information to competing banks. I would ask my hon. friend if he would not like the question to further stand in order that we may talk the matter over together and see if we could not agree as to what might be done to meet his wishes.

Mr. GOOD: I may say that before placing the request on the order paper I corresponded with the Deputy Minister of Finance, and was assured by him that the information was readily available. Therefore I do not think this motion will involve any expense whatever. He suggested, however, that there might be a question of propriety involved in question No. 4, as to whether or not it would be wise to publish the extent to which each of the banks use the War Finance Act. In view of his intimation that the information was all available, I think there is no ground whatever for the objection now raised by the Acting Minister of Finance.

Mr. ROBB: After the explanation my hon. friend has vouchsafed, in view also of his statement that he has already discussed the matter with the Deputy Minister of Finance, and finally having in mind the fact that he is seeking this information for the students of a university outside of Canada, it seems to me the hon. gentleman might very well at least drop question No. 4.

Mr. GOOD: If the minister will take upon himself to answer all the questions but No. 4, I shall have to be content with that amendment.

Motion as amended agreed to.

CONSTRUCTION OF CHUTES IN NORTHERN ALBERTA

On the Orders of the Day:

Mr. D. M. KENNEDY (West Edmonton): I desire to call the attention of the government to a press despatch which says that an appropriation of $50,000 will be made this spring by the Dominion government for the opening of Vermilion chutes in northern Alberta. Will the Prime Minister tell me if this is correct?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Any appropriations to be made will appear in the estimates. I did not hear the last words of my hon. friend. Does this refer to the Department of National Defence, or to what department?

Mr. KENNEDY: I suppose it would be the Department of Public Works, or it might be the Department of National Defence.

RURAL MAIL SERVICE

On the Orders of the Day:

Mr. G. E. BRETHEN (East Peterborough): I notice in the Citizen of this morning an article headed:

Salary revision in postal service to be discussed.

Is it the intention of the government in the forthcoming revision of salaries to consider the advisability of doing away with the contract system in the rural service, and to place the whole service on a uniform basis?

Right Hon. W. L. MACKENZIE KING (Prime Minister): What does the hon. gentleman mean by contract system?

Mr. BRETHEN: The rural mail carrier system.

Mr. MACKENZIE KING: I will have to refer the question to the Postmaster General (Mr. Murphy). He will give my hon. friend an answer at a later stage of the session.

BANKRUPTCY ACT AMENDMENT

On the Orders of the Day:

Mr. H. E. SPENCER (Battle River): Does the government intend to bring down legislation this session with regard to a change in the Bankruptcy Act?

Hon. ERNEST LAPOINTE: Yes, the government proposes to bring down legislation in that regard. The measure will be introduced in the Senate, I think to-day or to-morrow, in order to expedite business.

CANADA GRAIN ACT AMENDMENT

Hon. T. A. LOW (Minister of Trade and Commerce) moved the second reading of Bill No. 113, respecting Grain.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I do not rise to speak on the motion at the present time, but to suggest to the minister that, outside of the members of the government, there is not one hon. member of this House who can possibly have read the provisions of this bill. It has been printed only this morning and hon. members received copies about noon to-day. The bill is almost half an inch thick. It is really a travesty on the House of Commons to suggest that the important stage of the second reading of this bill be taken this afternoon. What the government should have done was to introduce the bill and have it placed on the order paper before or during the debate on the budget. We would then have known something about it. I know it is similar to the old act. I have hastened through a few pages of it, and I read pretty fast; but to ask anybody to give a vote on the second reading to-day is really monstrous.

Mr. LOW: Does the hon. gentleman know that it is the intention of the government to refer it to the committee on Agriculture?

Mr. MEIGHEN: I know that.

Mr. LOW: And that an opportunity will be given to the House to discuss the measure when it comes back from that committee?

Mr. MEIGHEN: But surely the second reading is not a mere formality; the second reading is the important stage of the bill and the details come afterwards. Does the minister think it is right to ask members of this House to discuss a measure that not one single member can by any physical possibility have read?

Mr. MACKENZIE KING: Last night I announced that the Grain Act would be brought on to-day.

Mr. MEIGHEN: But it was not printed.

Mr. MACKENZIE KING: The sole motive of the government is to get the bill before the committee on Agriculture and Colonization at as early a date as possible, but if my right hon. friend or any hon. members feel that they would like a longer time to talk it over, we will not proceed with it to-day.

Mr. MEIGHEN: I would suggest—and I am not insisting on this—that the minister might make his statement in explanation of the bill and the various amendments—

Mr. LOW: I made a statement the other day.

Mr. MEIGHEN: But not a complete statement. There is the bill and it is voluminous.

Mr. LOW: It boils down to very few changes. There are not very many.

Mr. MEIGHEN: I do not think the minister explained it thoroughly. If he explained the purport of the measure, then it is not much of a measure to emanate from such an expensive commission. I would be prepared to go on with the discussion, but I object to having a decision on the second reading to-day, so far as my objection may be of any avail. I have no objection to the discussion, and I will take part in such a discussion myself.

Mr. LOW: We will let it go over if the hon. member desires.

Mr. MEIGHEN: I have only expressed my views.

Motion withdrawn.

INDUSTRIAL DISPUTES INVESTIGATION ACT, 1907, AMENDMENT

Hon. JAMES MURDOCK (Minister of Labour) moved the second reading of Bill No. 25, to amend the Industrial Disputes Investigation Act, 1907.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Disputes to which act shall apply.

Mr. MURDOCK: If hon. gentlemen will turn to the printed bill which is on their files they will find the explanatory notes opposite the proposed amendments. These proposed amendments are matters that will of course be considered by the legal gentlemen in the House, the purpose of the measure being to endeavour to continue the Industrial Disputes Investigation Act, and make that act applicable at least to such industries and conditions of controversy in any industry that the federal government would have authority to deal with. These proposed amendments are the result of the decision of the Privy Council on January 20, last which appeared to make inoperative the Industrial Disputes Investigation Act as it had been heretofore handled. I think the explanatory note will give hon. gentlemen a full outline of the intent and purpose of the proposed amendment.

Mr. MEIGHEN: I may be dull, but I cannot understand the second sentence of the explanatory note. The explanatory note reads:

> The purpose of this amendment is to limit the application of the act in terms to matters not within the legislative jurisdiction of any province.

That is quite clear. But the next sentence reads:

> It is recognized, of course, that the enumerative provisions of the amendment are not technically necessary for this purpose.

What is meant by the "enumerative provisions"? Does that mean all the provisions?

Mr. LAPOINTE: It means that paragraph (i) of section 2A might have ended after the words "parliament of Canada":

> Any dispute in relation to employment upon or in connection with any work, undertaking or business which is within the legislative authority of the parliament of Canada.

The explanatory note means that the clause might have ended there, but that it has been thought advisable to insert in an enumerative manner the various subject paragraphs in order to make it clearer to those who are interested in the investigation and settlement of industrial disputes.

Mr. BAXTER: While I do not object to some of the enumerations, I think it would be much better if the paragraph had ended just where the minister indicates. To some of the enumerative paragraphs no possible exception can be taken, because the first four of them, at all events, are simply a repetition of the British North America Act, putting certain operations under the control of the federal parliament. Therefore, when you say that the Industrial Disputes Investigation Act shall apply to things that are under federal control, you have already said what is placed in paragraphs (a), (b), (c) and (d). But

when we go a little further and read some of the other paragraphs, I fear, while I do not intend in any way to oppose this legislation, that we are simply opening up new avenues of possible litigation without obtaining any corresponding beneficial results. I agree with the remarks of the draughtsman in editing this bill that it is, perhaps, advisable to put, in a succinct form before the people who will possibly have resort to its provisions, an enumeration of the particular matters to which the bill will relate. But when we find that paragraph (e) includes:

> Works, undertakings or business belonging to, carried on or operated by aliens, including foreign corporations immigrating into Canada to carry on business.

I very much doubt whether we can resort to the provisions of the British North America Act which puts "naturalization and aliens" under our jurisdiction, in order to provide that whenever a dispute occurs in an industry carried on by an alien, we shall have legislative power. I doubt if we can confer it upon ourselves. I know the Privy Council has, in many instances, reprobated attempts which have been made to legislate, under the name of the criminal law, with regard to things that are not at all criminal, and in every instance the Privy Council has defeated such attempts. No one knows what the highest court of last resort will ever do, but the Privy Council will show no more favour to an attempt to legislate on a different subject under the title of aliens than it does under the title of the criminal law. While a business is being carried on in any province by aliens, they take their status practically by permission of the federal government. They are accorded by the comity of nations, an opportunity to carry on business within our territory, but it has been held and it has been acted upon in many provinces, in fact, I think, in all provinces, that on the other hand the right to acquire land can be conferred only by the legislature of the particular province in which the land is situated. In other words, it is beyond the power of this parliament to confer upon an alien the right to hold land in any particular province. It can confer upon him the right to be a British subject; it can make a British subject of him for Canadian purposes, and the moment he has the status of a British subject, his right to hold land is indisputable. But while he remains an alien, he must resort to the particular province to get his rights.

I am not going to pursue the discussion into any other region than that of pure law; but let us take, for instance, the business which is carried on in the Nova Scotia coal mines, and I do not intend to refer to the particular dispute that exists there at the present time. Supposing an alien owned a mine. That alien could not get title to the mine unless the law of the particular province permitted him to do so. But when he has that mine, as I understand the judgment of the Privy Council, his relations with his employees must be determined simply by the law of that province. I think I am correct in that position. At all events, while I am not in a position to say that I am absolutely correct, no hon. gentleman whose mind is inclined to the opposite view is in a position to say that he is indisputably correct. I must grant the same liberty of thought to others that I ask for myself. But the moment you have two divergent views, which probably will be expressed in this House, you throw the whole thing into the melting pot of litigation once more. Instead of, by this enumeration, giving security to the man who reads the act that whatever falls within those phrases is within our legislative power, you only invite him to rely upon those phrases and send him eventually to the Privy Council to find out whether we have power to do what we are proposing to do to-day or not. While I do not oppose the legislation—and this is not in any sense a party matter—I think it is my duty to point out the danger which may result from legislation of this character. If it were within the competence of this parliament to restore what is popularly known as the Lemieux Act in full force, I would be entirely in accord with the government and the Minister of Labour in trying to do that. But we cannot do it, and the fact that we cannot do it is surely a strong argument against an attempt to lead people to believe that we are doing something well which yet may be quite outside of our competence.

One other paragraph to which I should like to call attention is paragraph (iii):

> Any dispute which the Governor in Council may by reason of any real or apprehended national emergency declare to be subject to the provisions of this act.

Now, the war brought about a new interpretation of our constitution and it was held that the war emergency evoked certain powers which were slumbering in the constitution or perhaps almost lay outside of it, and to which we had not given attention before. A great many things were done because of the existence of a state of war which undoubtedly could not have been done by this parliament or by the executive of the nation under peace conditions. But I desire to point out that the same declaration by the government, that

there is an apprehended national emergency, may fall far short of constituting the conditions under which alone this portion of the state can interfere. Once again I say I am not opposing these provisions, but I desire respectfully to point out that there is danger that in trying to remove the cause of uncertainty we are only by this enumeration adding to the possible causes of it with regard to this very difficult question.

Mr. CHURCH: This bill should be referred to a select committee of the House, who in my opinion could give better consideration than could this House to the important legislation involved. The minister has published in blue book form, extending over some 300 pages, the judicial proceedings affecting the constitutional validity of the Industrial Disputes Investigation Act of 1907 and amendments of 1910, 1918 and 1920. The subject matter of these proceedings was taken all the way from the courts below to the Privy Council and a very sound decision was rendered by the Privy Council. The minister's department had taken up the case of the employees of the Hydro Electric Commission, who had been given several raises in salary in a few years, and who were getting high rates of pay.

This bill now before the chair in my opinion has not been as carefully drafted as it might have been, and the litigation that has taken place recently has cleared the air and disclosed the proper relationship between capital and labour in these matters in Canada; and what this parliament should do is to stay in its own field of activity under section 91 and not go beyond that. Under that section a large number of classes of subjects are assigned by the act to the Parliament of Canada, all of a general nature. But not satisfied with this ample scope within the limits of the pond, this parliament through the Labour Department, in the original Industrial Disputes Investigation Act of 1907, undertook to widen the boundaries of its authority and to venture forth upon the lake and the ocean and to bring within its jurisdiction local matters not properly within its competence to decide upon. Parliament has encroached upon the provincial field and interfered in matters defined under section 92 which relate to the provinces and the municipalities, including the control of such local departments, as street, fire and police departments and public utilities. If the employees in any of these local works are not satisfied with the wages paid them the minister can grant them a board; and not content with that the government has actually granted a board in the case of a purely private dispute between the Hydro Electric Commission and their employees notwithstanding the fact that the commission are known to pay good wages.

There is no reason why parliament should not act within its own sphere as prescribed by the act; it can deal with Dominion employees, and dear knows there is great occasion for proper action in this direction. It seems to me that the act might very well apply for example, to the post office and customs house staffs and the whole Civil Service, and it might be invoked in connection with the grievances that exist in the Maritime provinces in the coal industry, it should also extend to the Customs department and to the work carried on by the Civil Service Commission. This parliament therefore has enough to do looking after its own end of the act without worrying about the provinces and the municipalities with their public utilities.

Section 2 of the act lays down the jurisdiction within which the Dominion may act under the British North America Act; and this comprises disputes relating to employment on works within the authority of this parliament; works, undertakings or business operated or carried on for or in connection with navigation and shipping, whether inland or maritime; railways ferries between provinces or between any province and any British or foreign country and various other undertakings of a similar nature. So far so good. And the explanatory note on the page of the bill opposite to this outline of subjects declares that the purpose of the amendment now proposed is to limit the application of the act to all matters not within the legislative jurisdiction of any province. That is all very well so far as it goes. But on page 2 of the bill all this is nullified by paragraph (f) which declares that certain works, although wholly within the province, may be declared by the Parliament of Canada to be for the general advantage of Canada. I contend that if this provision passes it will enable the Dominion to encroach upon the provincial field and that would be ultra vires of this parliament.

I think there should be a distinct line drawn between one field of activity and another as between the Dominion and the provinces and municipalities. Indeed, confederation would not have been possible had it not been for the fact that home rule was granted the provinces and the municipalities under section 92 of the British North America Act. I do not blame the minister personally for what he has done; at the start he did his best to bring

the parties together in the unfortunate dispute we have had. It was not the first time the question had been raised, the minister, I do think, might have refrained from granting the board in connection with this particular utility. It had been the practice for some time in cases of these disputes for a board not to be granted, unless with the consent of the municipality and the public utility concerned. In this particular dispute the board was granted and the minister declared that it was a matter of policy; the board was allowed against the protest of the public utility commission.

I have already suggested the reference of this bill to a special committee. Last session this very question was taken up by a special committee which considered industrial relations and very good work was done. The committee met only four or five times but the minister was present with officials from his department and the Justice department. And with reference to the act of 1907 the hon. member for Cape Breton South and Richmond (Mr. Carroll), I think, referred to the fact that several opinions had been given by the Department of Justice on the act some one way and others of a different character, with regard to the division of activities between the three legislative bodies in Canada. The committee last year went into this matter thoroughly, exploring not only the Dominion field but as well the entire scope of the provinces and the municipalities; and the evidence given by some of the Minister of Justice's own officials to that committee went to show that such legislation as is now proposed in paragraph (f) on page 2 of the present bill must create trouble. It was lucky there was a privy council to say just where the line should be drawn. In my opinion, if the Privy Council ever performed a good day's work for the people of any overseas dominion it did so for the people of Canada when it gave its decision with reference to this particular act, because the decision went a great deal further than the act and laid down the scope of legislative usefulness not only of this parliament but of all the legislatures and municipalities of Canada. This decision is a very good one and has carefully mapped out the three spheres of activity. Paragraph (f), as I have said, provides that provincial works wholly within the province may be declared to be for the general advantage of Canada, and this was done recently in the case of the lake of the Woods matter. It cannot be defended and it would be unfortunate for this parliament to go beyond its own proper limits and to interfere with the public utilities of the provinces and municipalities. Why, if this provision were enacted parliament might, although it seems extravagant, even declare some candy store on Sparks street to be for the general advantage of Canada, or it might do the same in regard to Ford's factory in Windsor, on the ground that it had some connection with the automobile industry of the Dominion and touched the question of transportation. I should like to see this question settled for all time. Agriculture is a matter of concurrent jurisdiction for the Dominion and the provinces, but if this bill becomes law we cannot say how far it may affect that industry and provincial jurisdiction, and even the agricultural industry might be declared to be an undertaking for the general advantage of Canada.

I think the minister would be doing a good day's work for capital and labour if he would consent to the appointment of a small committee to study this bill so that we may have a better understanding of what its enactment will entail. For instance, it contains a definition of what is a national emergency. Well, if there was ever an opportunity for the Labour department to do something under the Industrial Disputes Investigation Act it is presented to them now in the labour troubles in the coal district of Nova Scotia; there surely is a national emergency requiring the immediate and direct attention of the minister and his department. But in view of the declaration by Lord Haldane of what constitutes a national emergency, we would be treading on pretty dangerous ground if we passed this sub-clause 3 of subsection 1 of section 2 (a) as it is. A dispute between private individuals or between a public utility corporation and its employees is not a national emergency, and yet by this legislation the Dominion parliament seeks to take control of all the works and on the plea that a labour dispute constitutes a national emergency undertakings of the provinces and municipalities. When the act was passed in 1907 there were no public utilities in the sense that we have them to-day; for instance, the province of Ontario has made a total investment of $241,000,000 in its hydro electric undertaking. Had not the decision of the Privy Council been what it is, the legislatures of the provinces would have been reduced to the status of county councils. I should like to see the bill referred to a committee and so amended that it will be placed beyond doubt that this parliament has no control over any provincial or municipal undertaking.

Mr. MACLEAN (York): Mr. Chairman, I do not agree with what has been said by the

hon. gentleman who has just taken his seat (Mr. Church). I am a one hundred per cent Canadian, I have said so before in this House, and to-day I am surprised at the absence of courage on the part of the government, and especially on the part of the Minister of Justice (Mr. Lapointe), in not coming to this House and saying: The way to cure all these inconsistencies that have been found in our constitution is to have Canada become what everybody says she is, a sister dominion, the equal of the Mother Country and of the other member parts of the British commonwealth. We have the right, or we ought to have, to make our constitution, and to have it interpreted by our own courts, not by the Judicial Committee of the Privy Council, no matter how eminent its members may be. To-day by reason of this discussion we are admitting inferiority of position. We are not enjoying complete self-government now, we never have been, but we ought to be. This question will be in the courts again. Only the other day I read a discussion that has been proceeding in England in regard to what is to be the status of the colonies or the dominions. It is evident that Mr. Amery, who is the head of the Colonial Office, has made some progress, but to my mind his progress is retrograde, it is in the direction of bringing this Dominion more under the direction of the Secretary of State for the Colonies. I am afraid that as a result, instead of widening our powers and securing complete autonomy, they will be narrowed and we will find ourselves continued in our old colonial status. I challenge the Minister of Justice to say what the decision of the government is to-day in regard to this constitutional crisis. It should not be our attitude, as my hon. friend from North Toronto says, to rejoice and thank God that there is an arrangement under which disputes which we as Canadians should settle here shall be settled in the Motherland. I spoke on this question at the opening of the session and a large volume of correspondence afterwards came to me unsolicited, from young Canadians all over this country strongly supporting the view that I took in regard to the matter. They think we ought to have what our neighbors to the south achieved a hundred and fifty years ago, namely, the right to make their own constitution; and when they got that right they made their country a great country. If we have the courage to go ahead we shall be in the eye of the world perhaps as much as the Americans are; and I do not suggest by that that in any way we should break with the Mother Country. What I do say is that we should rid ourselves of this incubus—because that is what it is—of the settlement of our disputes and the determining of these questions in the Old Land. I know pretty well what the view of this House is; I have talked a good deal to hon. members with regard to it. I have been ridiculed and criticized for the views I hold, but I am willing to stand for that. The Minister of Justice in this measure is merely sidestepping the issue. The real issue to-day is whether we are to make and interpret our own constitution or whether it shall be done for us; whether or not we shall remain in the position of an inferior, a junior—an infant in the eye of the law. And we can get this right if we ask for it. Will the Minister of Justice say we would be denied the right of jurisdiction if we applied for it?

Mr. LAPOINTE: I agree with my hon. friend.

Mr. MACLEAN (York): Then why does he not have the courage to state it as representing the party dominating this House to-day? That is where I want to see some courage. He says he agrees with me; why does he not live up to the agreement?

Mr. LAPOINTE: That is another question.

Mr. MACLEAN (York): Yes, but it must be answered, and I am asking for an answer to-day. I have the courage to say what my view is and I know there are many in the House who agree with me. There are a great many in the minister's own province—eminent lawyers—who hold the same view. I hope he will not send this bill to a committee; I would like to see the discussion turn upon the broad constitutional issue, especially in view of the fact that the Parliament of Great Britain is ready any day to give us the power to deal with out own constitution and to make our own division of powers as between the federal and provincial authorities. When that is done we will make some headway.

Mr. MARTELL: If the British parliament did give us that right, could this parliament arrogate to itself certain powers without the consent of the provinces?

Mr. MACLEAN (York): No, quite the contrary. There will be a constitutional conference to settle the question. There have been a great many struggles for constitutional rights in the past; I am reading about them every day. And there is a deplorable condition in Europe to-day because of the absence of constitutional government there. Answering the

4 p.m.

hon. member (Mr. Martell), I know we cannot settle the question in this parliament; but the onus is on the government to call a conference of representatives of the Dominion and the provinces for that purpose. The Minister of Justice says he is going to bring the question up in connection with another matter affecting the Senate. Now is the time to settle these questions, and the government must have the courage to take the leadership or give way to others who will take it.

Mr. MARTELL: Who in Canada to-day is in favour of this change in our constitution?

Mr. MACLEAN (York): I am, for one.

Mr. MARTELL: I am glad to know it.

Mr. MACLEAN (York): I regret that my hon. friend has not that courage, although the people of his own province are waiting on the government to-day, almost in forma pauperis, asking to be helped out of their troubles.

Mr. LOGAN: Order.

Mr. MACLEAN (York): Well, a freind of my hon. friend's went up to Toronto the other day and told a very doleful story of the condition of affairs in this country. The hon. member for Cumberland has been away to the West Indies to tell the troubles of this country there and how he seeks to get relief from them.

Mr. MARTELL: Will my hon. friend—

Mr. MACLEAN (York): Oh, sit down a moment, please.

Mr. MARTELL: We want the truth.

Mr. MACLEAN (York): Go where the truth is. Now, I apologize for taking up so much time—

An hon. MEMBER: Hear, hear.

Mr. MACLEAN (York): The hon. member for West Toronto (Mr. Hocken) does not agree with me?

Mr. HOCKEN: I did not say a word.

Mr. MACLEAN (York): My hon. friend does agree with me very often. I read his paper carefully and I see that he is progressive in his views in the way of constitutional reform. But the responsibility of dealing with this matter is on the government; they cannot sidestep it by a measure like this. Constitutional government must be progressive in its character, its scope widens with the years; and we ought to see to it that we have the right to deal with these matters ourselves in our own way.

[Mr. W. F. Maclean.]

Mr. MARTELL: My hon. friend says the people of Nova Scotia came here in forma pauperis. That is a vastly different question from the one he is dealing with now and from the point he is advocating. Nova Scotia never willingly went into the confederation. We were sold into the confederation, as our people commonly say, for the price of a sheepskin. We were a prosperous people up to that time. I am not objecting to the constitution to-day as it affects the various provinces, but if we come here advocating what we believe to be our rights, we are asking only for what is justly ours, because we never had an opportunity at the polls to pronounce whether or not we were in favour of confederation. When confederation was brought about and the first appeal was made to the people of Nova Scotia, only one confederate was returned.

Mr. MACLEAN (York): I sympathize very much with my hon. friend, and if he has any move to make in this particular I will join him.

Mr. MARTELL: I am a constitutionalist and believe that our remedy lies in trade treaties and railway considerations.

Mr. MACLEAN (York): Well, I am sorry for that sort of constitutionalist.

Mr. LOGAN: The hon. member has been talking about half an hour; may I ask if he is for or against this bill?

Mr. MACLEAN (York): I am against the bill unless the government take the leadership in the direction of a real cure for the situation.

Mr. LOGAN: Even if the government takes such leadership, the change could not be brought about in less than two or three years, and in the meantime what harm will it do to pass this bill? We have to have some machinery for dealing with industrial disputes. I have listened to the utterances of my hon. friend from South York (Mr. Maclean) for a quarter of a century or more, and I am charmed to find that after all those years he still retains that buoyant expectancy, that everlasting optimism, under the influence of which difficulties, in his mind, seem to fade away. I only wish all of us had that happy disposition; and that we may all be as youthful in spirit as my hon. friend when we reach his age. But my hon. friend, in speaking upon these matters dismisses, with a wave of the hand, some rather serious difficulties. He is even a little inconsistent sometimes. For instance, at one moment he states that the

Right Hon. Mr. Amery is trying at the present time to encroach upon the freedom of this country with respect to imperial matters; and the next moment he says that all we have to do is to go to England and the Imperial parliament will give us the power—I suppose immediately, and without any consideration at all—to amend our constitution and do it in accordance with the views entertained in this House, notwithstanding the fact that, after all, the British North America Act is a pact between the federal authorities and the provinces and that we could not amend the constitution of this Dominion along the lines he suggests unless we secured the consent, I will undertake to say, of every province in Canada. I doubt very much if we went to the Imperial parliament and asked for legislation giving Canada the right to amend its constitution the Imperial parliament would consider it for one moment if even the little province of Prince Edward Island raised an objection to the proposal. Because, as I have already said, confederation was the result of a pact between the federal authorities and the local legislatures and that pact could not be disturbed without the consent of all the interested parties. But my hon. friend goes further. With one stroke of the pen, or with a mere wave of the hand, he is going to abolish the right of appeal to the Privy Council.

Mr. MACLEAN (York): Oh no.

Mr. LOGAN: These are matters, I think, that ought to occupy our most serious consideration.

Mr. MACLEAN (York): And now is the time.

Mr. LOGAN: I submit it is not the proper time, when we are engaged in the consideration of a bill introduced to meet a difficulty which has been brought upon us by a judicial decision. Now, the facts are these: Under that decision the Industrial Disputes Act, otherwise known as the Lemieux Act has been found to be ultra vires of this parliament. At any moment there is a possibility that labour troubles may arise in this country and we have not the power, we are absolutely impotent, unless we pass this legislation, to deal with them. For instance down in Cape Breton a great labour struggle is taking place, twelve or fourteen thousand men are out of employment, women and children are suffering, and this parliament is impotent to help them or to bring about any meeting between the company and the miners in order to effect a settlement of the trouble.

Mr. BAXTER: Will this bill give that power?

Mr. LOGAN: Yes, I think that power is conferred under paragraph (f) of section 1, although I admit a question of law might be raised as to whether the intention is correctly expressed.

Mr. BAXTER: If the bill really gave such power I would be enthusiastic in its support, but what I fear is that no such power is conferred; the situation would be local and not national.

Mr. LOGAN: The paragraph in question reads:

> Such works as, although wholly situate within the province, have been or may be declared by the parliament of Canada to be for the general advantage of Canada, or for the advantage of two or more of the provinces.

If we had such a law on the statute books to-day we could put through parliament a short act declaring the works of the British Empire Steel Corporation to be works for the general advantage of Canada. When that act had been passed we would then be able to appoint a conciliation board, for instance, to deal with the unfortunate situation which exists in Cape Breton. I submit to my hon. friend from York (Mr. Maclean)—and we all recognize his enthusiasm in the cause of readjusting our constitutional difficulties, and his Canadianism; he is almost one hundred per cent plus Canadian—that we are confronted now with a condition of impotency.

Mr. MACLEAN (York): Very well, let us remove the impotency.

Mr. LOGAN: If we can meet the situation by passing the present bill let us do so. Let us endeavour to do something to meet the situation which we find ourselves in at the present time.

Mr. HANSON: Just before the hon. member takes his seat I should like to ask him this question: Is it not perfectly open to the legislature of the province of Nova Scotia to pass appropriate legislation to meet the conditions such as he has described?

Mr. BAXTER: They have done so have they not? Have they not introduced the principle of compulsory arbitration down there?

Mr. HANSON: I am not sure; I am asking for information.

Mr. LOGAN: I fear the province has made a mistake in undertaking to force compulsory arbitration. You cannot in this age force men to do anything; you can conciliate them, you can talk and reason with them. Yes, legisla-

tion has been passed in the province of Nova Scotia, but strictly speaking it will not meet a situation such as exists here which has become, in a sense, national in its character. This parliament could deal with such a situation in a broader and bigger way than the legislature of the province can in which the disturbance is occurring.

Mr. HANSON: I am inclined to agree with the last remark made by the hon. gentleman, but I would like to ask the minister a question with regard to sub-clause 3 of section 2 (a) of this bill. Just what disputes does the department contemplate should be covered by a power of that character? The language is very wide, and very comprehensive, and it seems to me that the power conferred there might be used in an improper way. I should therefore like to hear the Prime Minister or the minister—and the question is not put from any controversial motive, but with a desire to know what the minister or the government has in mind—state a case in which such power might be used with propriety by the government.

Mr. MURDOCK: I could possibly give my hon. friend a fair idea as to a possible case if we go back a couple of years. In 1923 all hon. gentlemen will recall that a serious dispute originated in the steel industry in Cape Breton, an industry over which the department had never contended the Industrial Disputes Investigation Act had any jurisdiction. However the dispute developed to the extent that it involved the miners over whom it had been generally held some controlling authority could be exercised through the Industrial Disputes Investigation Act. There is a concrete case. Of course I could not speak, even as Minister of Labour, as to what kind of dispute the Governor in Council might determine to be a national emergency such as would justify the application of the provisions of the act. But I think my hon. friend will get at least the point as to what might have been reasonably considered a national emergency. In that case, as we know, under the Militia Act as then in effect, a justice of the peace called for the despatch of troops, and we know that practically all the permanent troops in Canada were taken into Cape Breton. And this in respect to a dispute in connection with industry over which there was no control under the Industrial Disputes Investigation Act. It so happened that just at the same time another dispute arose in Toronto, and one development after another occurred until the department thought it really essential and necessary that a board should be established for fear of possible developments, for fear the dispute might reach the serious proportions that were reached in a similar dispute some years before in the city of Toronto when the entire transportation facilities in that city were stopped during the Canadian National exhibition. That dispute of some years previous did not last long, fortunately, but it reached serious proportions although originating in the same way and with the same employers as the dispute which caused the appeal to the Privy Council, with the result that the entire act was declared ultra vires of the Dominion. From my remarks I think my hon. friends will get an idea as to what might, under certain conditions, be regarded as a national emergency, and personally I should expect that the Governor in Council would not be too ready or too anxious to bring under the act, through that clause, any and every dispute that might occur at any point in the country.

Mr. MEIGHEN: We have not heard yet from the Minister of Justice (Mr. Lapointe), and we expected to hear from him.

Mr. LAPOINTE: I was about to rise three of four times but did not get the opportunity. I received a sort of challenge from my hon. friend from South York (Mr. Maclean). It is hard for me to be attacked by an old friend of mine, especially when he seems to have a doubt in regard to my national sentiments. My hon. friend is absolutely wrong, because this is not a question as between Canada and the Mother Country; in any respect whatever. There is no battle of any kind between ourselves and the Imperial parliament. The question, Mr. Chairman, is: What is the jurisdiction of the Dominion parliament and the jurisdiction of the various provinces? And if the decision which has been given in that case of Snider versus the Toronto Electric Commissioners, instead of being delieverd by the Privy Council, had been delivered by the Supreme Court of Canada we would have been placed in exactly the same situation. I do not think it is opportune, advisable or necessary to discuss the question of the propriety of having Canadian legislation submitted to the Privy Council in connection with a matter purely and simply of defining what are the powers of the provincial legislature and the powers of the federal parliament with regard to this legislation. I agree with my hon. friend—I have said it and I repeat it—that if we were asking the right to amend our constitution it would not be denied, but it is a question for ourselves to decide, not only in this parliament

but in Canada; it is a question of asking for the revision of the pact which has been entered into by the several provinces of the Dominion. If my hon. friend wants to amend the constitution so as to have at all times the power to change or alter our own charter, I repeat what I said some time ago, that that charter is just as much the charter of the province as it is our charter, and before it is altered the provinces have a right to be consulted and to give their own opinions about it.

Mr. MACLEAN (York): Why not consult them?

Mr. LAPOINTE: We are going to consult them. It has been announced that a conference would be held between the provinces and the Dominion for the purpose of considering the steps which it might be advisable to take to amend the constitution in some matters. My hon. friend agrees with that, but he says, "Wait, do not do anything for the purpose of re-enacting the Industrial Disputes Investigation Act before you hold your conference". My hon. friend is wrong about that, as my hon friend from Cumberland (Mr. Logan) told him. Even if there is nothing coming from such a conference; or even if there is an amendment to the constitution of Canada, which might take some time to make, it is necessary—at least it is opportune and it is wise—to have on the statute books of Canada an act for the investigation and possible settlement of industrial disputes. Since that decision of the Privy Council the government has been petitioned from various quarters to do something in regard to this matter, to enact legislation to revive that old act. This request comes not only from the various labour organizations; but also from the employers. This act is recognized to-day as being a fine and fair way of trying to get at the settlement of our labour difficulties. Part of the decision of the Privy Council was to the effect that this parliament had no right to enact legislation for the investigation and settlement of the dispute between an employer carrying on his undertaking under the laws of the province, and within the limits of that province, and the employees. If the Toronto electric commissioners are an association under the laws of Ontario, operating in the province of Ontario under a sort of municipal organization, there is no doubt that they are and were a merely provincial body. The Privy Council has decided that, and we have no power to interfere in the labour difficulties between the employers and the employees under such circumstances. The purpose of this act is to have legislation for the investigation and settlement of disputes which are under the jurisdiction of the parliament of Canada. My hon. friend from North Toronto (Mr. Church) said that the Privy Council had done a good day's work in giving that judgment. I do not want to give expression to my own views in regard to that, but one thing is certain, that this judgment has at least the advantage of defining to a large extent the respective jurisdictions of the Dominion and the provinces. The bill now before us is based on the decision of the Privy Council, not only on the expression of views of the Privy Council but also on the expression of views of the counsel engaged in that argument, and on previous decisions of that body on constitutional matters arising between the Dominion and the provinces. As to all the matters that are included or enumerated in section 91 of the British North America Act, there cannot be much difficulty. My hon. friend from St. John and Albert (Mr. Baxter) said that it would be better to confine ourselves to the first words of paragraph 1 of section 2A, ending with the words "parliament of Canada". This act is to define the relation between employers and employees and is like the bill of rights of the organization in Canada.

It is in the hands of the labour men throughout the country, and it has been pointed out to us by those who represent labour that in their interest it is necessary that an enumeration of at least the main subjects to which the act will apply should be given. That is the only reason for the enumeration. The hon. member for St. John and Albert expresses a doubt as to our right to enact paragraph (e) of section 2A. My hon. friend is a leading member of the Canadian bar and his views deserve more than ordinary consideration. But he has expressed a doubt and, as he said himself, he admits that the other side might be debated. This paragraph has been considered to be within our jurisdiction because of those words in section 91 of the British North America Act "naturalization and aliens," which are placed under the jurisdiction of the Dominion parliament, and those further words: "regulation of trade and commerce." It is contended that the power to make laws for the regulation of trade and commerce and for naturalization and aliens gives the right to regulate the conditions under which aliens may carry on trade in this country. That is the view of the officers of the Department of Justice.

This bill has been more than carefully studied and considered before being drafted and it has been submitted to strong authorities on this matter.

Mr. MACLEAN (York): Outside of Canada?

Mr. LAPOINTE: No. As regards the other objection, or possible objection, of my hon. friend in reference to paragraph (iii) of section 2A which reads:

Any dispute which the Governor in Council may by reason of any real or apprehended national emergency declare to be subject to the provisions of this act.

This is absolutely in accord with the views as expressed by the Privy Council and especially in the argument by counsel representing the appellants in that case. It is also in conformity with the views of the Privy Council in the Fort Frances pulp case. The hon. member for North Toronto (Mr. Church) says that this should apply only to war. Of course the emergency must be a very serious one. The subject of famine and pestilence, for instance, has been mentioned—serious emergencies, emergencies in which provincial matters must be dominated by the national interest of the whole country. I might call to the attention of the committee the remarks which were made in that case during the argument, and I am not sure that it is not referred to in the judgment concerning the case of Russell and the Attorney General of Canada, when the Canada Temperance Act was declared valid and intra vires by the Privy Council. According to the Privy Council of that day, the only justification for the Canada Temperance Act being considered intra vires was that there was an emergency at the time; that the use of liquor was so widespread in Canada as to justify the government in considering the matter as an emergency. The other day I saw that one eminent judge in this country, I think it was the Chief Justice, referred to those remarks, saying that they certainly were mistaken in the Old Country when they thought that we ever had such an emergency in Canada in regard to the liquor question. This shows, though, that when an emergency arises, there is no doubt as to the power of this parliament to enact legislation with regard to a matter which might be connected with it. The hon. member for North Toronto objects to paragraph (f):

Such works as, although wholly situate within the province, have been or may be declared by the parliament of Canada to be for the general advantage of Canada, or for the advantage of two or more of the provinces.

[Mr. Lapointe.]

This is almost word for word the language of paragraph (c) of subsection 10 of section 92 of the British North America Act which excepts from provincial jurisdiction—

Such works as, although wholly situate within the province, are before or after their execution declared by the parliament of Canada to be for the general advantage of Canada or for the advantage of two or more of the provinces.

I repeat that this bill has been very carefully considered, and in the opinion of the Department of Justice, we are not encroaching upon the jurisdiction of either the provinces or municipalities in any of the sections proposed. And it is necessary that we should have such legislation on the statute books.

Mr. MACLEAN (York): Is it liable to be declared ultra vires?

Mr. LAPOINTE: I hope not.

Mr. MACLEAN (York): It is subject to that.

Mr. LAPOINTE: Every piece of legislation passed by this House that was afterwards declared ultra vires, was thought at the time it was passed to be valid. No legislation has been more carefully considered and drafted than this one, and when we are challenged, we are prepared to meet the foe.

Mr. MEIGHEN: I do not make any suggestion that the legislation is not wise, that is, that it is not a necessary step to introduce declaratory legislation of this kind in view of the decision. But I am strongly of opinion that the proceedings which resulted in the decision were unnecessary and ill-advised. The Lemieux Act, so-called, passed in 1907, remained in operation through some seventeen years. Throughout the whole period of the life of that act I do not think there was a single month when the validity of its provisions was not at least in doubt on the part of the Justice department, and certainly on the part of eminent lawyers in this country. The question whether it was within the power of parliament to legislate as to the settlement of disputes in all the fields provided for therein, certainly as provided for in section 2 of the original act, was really never seriously supported by the law officers of the crown. I well recall on more than one occasion when we in our time encountered difficulties and sought the advice of the Justice department, we were cautioned to let well enough alone, to keep away from the courts, and to take such a course as would enable the law to operate where it was not challenged or where, if challenged, there was no doubt as to jurisdiction, as for example in relation to our rail-

ways. But, we were told, do not get into the courts on any doubtful question under this act; if you do you are very liable to come to disaster. We therefore avoided these questions.

Now the case that came up was this: the act was sought to be put into force with respect to a wage dispute in connection with the Toronto Electric Commission. One would have thought that if there was any single case where the application of the act was on a very, very weak legal footing it would be there; and the wise course for the government to have taken, the course which I understand was suggested by the law officers of the crown, was to have said to the Toronto Electric Commission, "Very well, if you don't want us to assist, take care of the matter yourselves; we will step aside. We are here to be of service if possible, but we are not going to fight any protracted lawsuit and chase you to the Privy Council to try to establish a jurisdiction over such a body." This would have been the sensible course; this course the government did not take. The government plunged into litigation with the result that the very foundations of the act have come out shattered and its usefulness for all time is impaired.

The Justice department has undertaken to state as clearly as may be the outside limits where we may exercise jurisdiction in the future. I should have thought that as a mere matter of drafting, having read section 2 of the old statute and 2(a) of this statute, it would be wise to have words in 2(a) making it plain that 2(a) dominated over the old section. The definition of "employer" in the former section is so wide as to be in conflict with the provisions of 2(a). It is very probable that 2(a) is the dominating section anyway, but in my opinion it would have made matters clear to have indicated that fact beyond any question.

Mr. LAPOINTE: Has the hon. gentleman read section 2 of the present bill? It refers to that.

Mr. MEIGHEN: Yes, I have read section 2 and I shall make a few comments on that. If such words as—

Notwithstanding any of the provisions of the preceding section.

—were inserted at the beginning of 2(a) it would establish beyond all question the dominating character of that new section. I am not going to put my opinion against the opinion of the minister's officers, but I am surprised that it should be the opinion of the officers of the department that this country, in view of the decisions that have been rendered, would have jurisdiction in respect of disputes arising where the party to the dispute, as employer, is an individual alien or an alien corporation. The argument of the hon. member (Mr. Baxter) appeals to me very strongly. It is true that under the British North America Act we have jurisdiction in respect of aliens and naturalization. But surely it is plain, or so it seems to me, that that jurisdiction is as respects the person of the alien and not the alien's property. We have jurisdiction as respects the alien in persona, and the very fact that the word "alien" is followed by the word "naturalization" seems to me to make it clear that our jurisdiction as to the alien is of the nature of our jurisdiction as to naturalization; and to assume that we can go in and act with respect to the alien's property and the alien's civil relations with his employer any differently from the way in which we can act towards a citizen of Canada and his employer is very perilous indeed. I feel so confident of this that I will venture to suggest that if a dispute arises where the employer is an alien corporation the government would be well advised to withdraw from the action early and not come to the calamitous end they have come to in relation to the last litigation. However, if the Department of Justice has given its opinion I cannot criticize the minister for accepting it.

Now I want to say a word as to section 2:

The provisions of this act shall be construed as relating only to the application of the Industrial Disputes Investigation Act, 1907, and not so to extend the meaning of the word "employer" as defined by section 2, paragraph (c), of the said act.

"The provisions of the act," the first five words, very plainly refer to the present act, the amending act; and how they could ever be construed otherwise than as relating only to the application of the Industrial Disputes Investigation Act passes my comprehension. I do not know what could have been in the mind of the draftsman in putting in this clause—I am arguing only as to the first sentence of the clause. It could not possibly apply otherwise than is stated. I have tried to stretch my fancy to imagine what the draftsman could have had in mind, but I cannot. The second part also seems unnecessary, though not so plainly unnecessary. How in the world could it extend the meaning of the word employer by subsection (c) of the old statute? On the contrary, the purpose of this act is to limit the application and therefore limit the meaning of the word employer. There may have been a purpose, but I do

not see what the draftsman intended. The act seems generally to have been prepared by a draftsman, but I cannot imagine what purpose section 2 has. Therefore, so far as the provisions of the statute are concerned, irrespective of the unfortunate proceedings which led up to its now being introduced, I would say that the government would be well advised to leave out the clause which assumes to give us jurisdiction with respect to aliens, and to consider whether there is any real purpose, and not possibly just a cause of litigation, in section 2.

Mr. MURDOCK: My right hon. friend discusses the legal phases of the question and of course I would not assume to deal with those matters. But he commenced his statement by referring to the causes which led up to the situation in which we find ourselves at the present time. Possibly he proved the truth of the old adage that hindsight is a great deal better than foresight; but he did not exactly state the facts in regard to the manner in which this dispute happened to go to the extent that it did. He did not tell the House that on one or two previous occasions there had been a board appointed in a dispute exactly similar to that of the Toronto Electric Commission; and I think the records will show that on one occasion at least such a board was strongly contended for by the distinguished gentleman from North Toronto (Mr. Church), who has taken such exception to the proceedings with regard to this board. It is true that the Labour department could in 1923 have evaded its responsibility and sought, as had been done admittedly in numerous similar cases for years, to sidestep, dodge and keep out of trouble. That could have been done; but I am quite sure that my right hon. friend (Mr. Meighen) and other gentlemen associated with him on that side, would have been the loudest in their clamour to show that the department was shirking its responsibility and not functioning as by law intended.

Having regard to the circumstances that confronted us in the summer of 1923, with a dispute in effect in Nova Scotia, starting in an industry over which the act had no jurisdiction, and had never so contended, this dispute spreading to the extent that all the permanent troops of Canada were brought into play, and the further fact that another dispute having arisen in Toronto in connection with the operation of the Toronto Electric Commission's works in which dispute there was also some question as to the federal Labour department's authority, the department decided that the proper course to take was to insist on the formation of a board even although our authority so to do might by some be questioned. But I would correct my right hon. friend by saying that I do not recall that the Justice department told us not to do this, that or the other thing, I do not recall that their opinion was even asked; it was a question of the Department of Labour, under the apparent intention of the act, determining whether, in the face of the refusal of the employer, the Toronto Electric Commission, to appoint a representative on the board, the minister should assume and accept the authority to proceed to make the appointment. That was done. The results since that time speak for themselves. When the board was taken to court by an injunction the department undertook to find out what authority we had, and while I think both sides of the House regret the final outcome, surely it was better for us to ascertain what authority we had, and I do not think it will answer any good purpose now to say that we should not have done this, that or the other thing in 1923 in connection with this dispute. I stand before this House and frankly say that if I had to do it over again I would do exactly the same, as Minister of Labour, to find out just what authority we have, because I believe that employers and employees and the country are entitled to know exactly their legal position under this or any other similar regulation.

As to the legal matters that are before us in this bill, I do not presume to deal with them except from a layman's standpoint, although I am assured by eminent legal gentlemen not only in the Justice department but elsewhere that the federal government has the authority which these amendments propose to give it to carry on under the act in the case of certain disputes that may arise in the future.

Mr. MEIGHEN: The minister has kept within bounds, rather unusual for him so far, and I will endeavour to make what I said clearer because he misapprehended me. I did not criticize the department for appointing a board. I said the department was quite justified in offering its services, but in ground where the title was in doubt the department was not wise to have gone to litigation and imperilled those features of the act which had been in operation for years, and which probably, but for the precipitate action taken, would have been in operation for years to come. When the government's—

Mr. MURDOCK: Would you indicate where you think we should have started to back up?

Mr. MEIGHEN: I am just doing that. When the government's title was challenged, surely it was the duty of his department to have taken the advice of the Justice officials and ascertain whether they would be safe in traversing the ground of litigation and thereby imperilling a very important section of the statute. The minister says it was not a case for the Justice department. If ever there was a case that was it. If the Labour department did not take such advice—I can hardly understand why they did not; I fancy they must have asked it. If they did they would have been advised that the government's position at least was doubtful. The part of wisdom then would have been to continue to operate the act within those limits which had not been challenged, and not take a case like that of the Toronto Electric Commission, which was the most dangerous of all, and go right to the Privy Council with it and thereby wreck the statute. That is all the contention which I made, and it seems to me it is a very moderately stated one. The minister says: Well, if we had not appointed a board we would have been charged with evasion. I do not complain of the appointment. Perhaps he means he would have been charged with evasion if he failed to proceed in the courts when challenged by the Toronto Electric Commission. Well, I would be very sorry if the attacks, whatever they have been on this side of the House, against the minister's department have been such as to drive him into a blunder in this case. I hope that he will not be guided in the future by any fear of this kind, and I assure him that if the criticism that has come to him in other cases, and to the government in general, of evasion, has been the cause of driving him into precipitate error, why, it would be for us to assume the ways of sunshine and gentleness after this in an effort to try and save the country.

Mr. WOODSWORTH: Mr. Chairman, I think it should be noted that labour is by no means unanimous in its attitude towards the Industrial Disputes Investigation Act. While in theory this legislation may appear admirable, in practice it has very frequently been found to work out to the detriment of labour. The difficulty apparently has been to get a board that is at all disinterested. Labour may nominate one man, but the third man selected has very frequently been found not only to be out of sympathy with labour, but not even open-minded with regard to the viewpoint of labour. The opposition or the indifference of labour in this regard was well illustrated a few months ago in the Nova Scotia situation, where the government was left to appoint a labour representative on the board. It is quite manifest that when such a situation arises the board cannot hope to accomplish very much by its labours. I would suggest that in future, if this act is to be of any value at all, greater care must be taken to see that the board is not loaded, as it were, on the side of the employer, that is, holds essentially the viewpoint of the employer.

I should like to call attention to two particular clauses to which reference has already been made, as it seems to me it is very essential that at this time we should know what their effect will be. In subsection (f) we read:

> Such works as, although wholly situate within the province, have been or may be declared by the parliament of Canada to be for the general advantage of Canada, or for the advantage of two or more of the provinces.

Now, I take it that if this bill is passed it would be quite possible in any particular case, such for example as that in Nova Scotia, to declare that the mines in Cape Breton were for the general advantage of Canada. If parliament so declared, it would seem to me this government would have the right to take action under this provision. I think it could be held that the mining industry of Nova Scotia is not merely of local importance but that if parliament is called upon to give protection to that industry it might very well be declared to be a work for the general advantage of Canada. If I am right in that, and this bill passes as it stands, surely it will be possible to take action in such a case. The member for Cumberland, I think, took that ground when he stated that in an emergency there would be no doubt as to the power of parliament. Perhaps he was referring especially to subsection (iii), which says:

> Any dispute which the Governor in Council may by reason of any real or apprehended national emergency declare to be subject to the provisions of this act.

In this case it would not be necessary for parliament to declare that the mining industry of Nova Scotia was a work for the general advantage of Canada. Should an industrial dispute in any way become acute and it be considered that a national emergency was involved, that in itself would be sufficient ground for the government to take action. If the member for Cumberland is right and the bill passes in its present form, it would be quite possible for the government to take action in such a situation as now exists in Cape Breton. The Minister of Justice has just told us that this bill has been carefully drawn and that it does not go outside the bounds of the British North America Act; that it merely restates

the provisions of that act. If that is the case, why has the government not now the power to act in the case of Nova Scotia? The minister says that paragraph (f) is almost word for word in the terms of the British North America Act, and I think we all recognize in it the wording of the act. It would seem, therefore, if this act is of any value at all, that the government already has the power to act, and that the only thing necessary to enable federal action in the Nova Scotia situation would be a declaration on the part of this parliament that the mines of Nova Scotia are for the general advantage of Canada. Even that is not necessary: the emergency clause may be invoked. When there is danger of riot; when we are told it is only a matter of time until the militia will have to be called out; when the newspapers say we are only waiting until something breaks, until something serious happens—surely we are faced with what would be an emergency under the terms of this act. Since we are told that this measure goes no further than the British North America Act, it seems to me there is no reason why the government cannot act in the present emergency.

Mr. MEIGHEN: With regard to the construction of the bill, would not subsection 2 of the new section 2A be far better a separate section of the bill?

Mr. LOGAN: Make it "2B."

Mr. MEIGHEN: Yes, that would be much better drafting.

The CHAIRMAN (Mr. Marcil, Bonaventure): Is it the pleasure of the committee that this change be made?

Mr. LAPOINTE: Yes, I think so.

Mr. MURDOCK: During the last two sessions of parliament this House passed, with little discussion, an amendment to three sections of The Industrial Disputes Investigation Act, and I would like to move an amendment which will rewrite subparagraph (b) of paragraph 2 of section 15 of the act, except that it is provided that if employees have taken all possible steps to secure a conference but have been unable to enter into negotiations, the conditions necessary to the granting of a board would be considered as complied with. Under the section as it is now there must be a conference between the parties, which it is sometimes impossible to secure. The amendment which I would move is as follows:

5 p.m.

That subparagraph (b) of paragraph two of section fifteen of The Industrial Disputes Investigation Act, 1907, as enacted by section two of chapter twenty-nine of the statutes of 1910, is repealed, and the following is substituted therefor:—

(b) A statutory declaration setting forth that, failing an adjustment of the dispute or a reference thereof by the minister to a board, to the best of the knowledge and belief of the declarant a lockout or strike will be declared, and (except where the application is made by an employer in consequence of an intended change in wages or hours proposed by the said employer) that the necessary authority to declare such lockout or strike has been obtained; or, where a dispute directly affects employees in more than one province and such employees are members of a trade union having a general committee authorized to carry on negotiations in disputes between employers and employees and so recognized by the employer, a statutory declaration by the chairman or president and by the secretary of such committee setting forth that, failing an adjustment of the dispute or a reference thereof by the minister to a board, to the best of the knowledge and belief of the declarants a strike will be declared, that the dispute has been the subject of negotiations between the committee of the employees and the employer, or that it has been impossible to secure conference or to enter into negotiations, that all efforts to obtain a satisfactory settlement have failed, and that there is no reasonable hope of securing a settlement by further effort or negotiations.

[Mr. Woodsworth.]

The CHAIRMAN (Mr. Marcil, Bonaventure): Before that amendment is proceeded with, the hon. member for North Toronto presents an amendment to section 1. Mr. Church moves:

That the following words be added to clause (f) on page 2:—

Provided that no provincial or municipal public utility work or undertaking wholly situate within the province may be declared to be a work for the general advantage of Canada without the consent and sanction of such provincial or municipal authority.

Mr. CHURCH: I think this amendment will provide for any emergency that may arise in the future in connection with industrial disputes affecting any of these three fields of activity, Dominion, provincial and municipal. If you read over the book setting forth the proceedings of this case from the courts below to the Privy Council you will see that an amendment like this is necessary to clause (f) of the bill. The provinces and municipalities have millions of dollars invested in various public utilities, and for this parliament arbitrarily to declare them to be works for the general advantage of Canada would be a hardship and also it never was within the intent of the British North America Act or the decisions of the Privy Council based thereon. If the bill is passed as drafted it will lead the government into all kinds of trouble. It will practically reduce the legislatures of the province to county councils and seriously interfere with the sovereign power they enjoy under section 92 of the British North America Act.

Mr. LAPOINTE: I am sorry I cannot agree with my hon. friend, and my advice to my colleague the Minister of Labour is not to accept the amendment he proposes. I think it is safer, more reasonable and more legal to confine ourselves to the wording of the British North America Act and not to add the reservation which my hon. friend proposes.

Amendment (Mr. Church) negatived.

Mr. MURDOCK: The amendment I have moved simply contemplates that an application from a committee representing employees can be accepted if the committee say that all possible efforts have been made to enter into negotiation and that it has been impossible to do that or even to secure a conference. The department has found itself at times unable to accept an application because the employees could not declare in their application that they had been in conference, their representations had been ignored. This simply proposes to give reasonable latitude with appropriate powers. It is exactly what was passed as an amendment to this same section last year and the previous year.

Mr. LADNER: Is there any provision for the submission of evidence to show that negotiations have been attempted? We have not the amendment before us and it is therefore very difficult to ascertain exactly what is contemplated.

Mr. MURDOCK: The Chairman read the section a moment ago. It requires that there should be a statutory declaration setting forth that, failing an adjustment of the dispute or reference thereof by the minister to a board. to the best of the knowledge and belief of the declarant a lockout or strike will be declared: that the dispute has been the subject of negotiation between a committee of the employees and the employer, or that it has been impossible to secure conference or to enter into negotiation; that all efforts to obtain a satisfactory settlement have failed; and so on.

Amendment agreed to.

Section as amended agreed to.

Mr. LAPOINTE moved:

That section 57 of the said act, as amended by section five of chapter 29 of the statutes of 1910, and as further amended by section 5 of chapter 29 of the statutes of 1920, is repealed, and the following is substituted therefor:—

57. Employers and employees shall give at least thirty days' notice of an intended or desired change affecting conditions of employment with respect to wages or hours; and in the event of such intended or desired change resulting in a dispute, it shall be unlawful for the employer to make effective a proposed change in wages or hours or for the employees to go on strike, until the dispute has been finally dealt with by a board, and a copy of its report has been delivered through the registrar to both the parties affected; the application for the appointment of a board shall be made by the employers or employees proposing the change in wages or in hours; neither of those parties shall alter the conditions of employment with respect to wages or hours, or on account of the dispute do or be concerned in doing directly or indirectly, anything in the nature of a lockout or strike, or a suspension or discontinuance of employment or work, but the relationship of employer and employee shall continue uninterrupted by the dispute, or anything arising out of the dispute; but if, in the opinion of the board, either party uses this or any other provision of this act for the purpose of unjustly maintaining a given condition of affairs through delay, and the board so reports to the minister, such party shall be guilty of an offence, and liable to the same penalties as are imposed for a violation of the next preceding section.

Mr. CHURCH: May I ask the minister if it is fair to submit amendments of this character without having them printed? I am very doubtful, in view of the decision of the judicial committee of the Privy Council as rendered by Lord Haldane, whether the powers conferred by the amendments are within the competence of this parliament. It is hardly fair in the case of such an important statute as the Industrial Disputes Act, which has been so prolific of litigation, that amendments should be handed in without being printed or without any hon. member on this side of the House having a chance to see them. It is proposed to amend section 57 of the act which was amended in 1910, and further amended in 1920. The amendments proposed and also section (f) are of an important character and what will be their effect? They will only get you where you were before. The changes contemplated will have the effect of enabling the federal authority to invade the sphere of provincial activities, and will only result in the government getting into trouble again. What reason is there for rushing this legislation through the House? It is proposed, under this legislation, to grant powers as to which even the officers of the Department of Justice themselves are in doubt. It is not fair to put through amendments in such a manner, nor is it fair to do so without consulting the attorneys-general of the respective provinces. Certainly in the case of the province of Ontario there should be such a consultation. The Attorney General of that province was a party to this litigation and no doubt is desirous that the provincial legislature should act in unison with this parliament to define the sphere of activity in which for example, a public utility like the Hydro-Electric or

other utility may engage. The Minister of Labour in proposing amendments such as these is entering upon a very large sphere, and, I am afraid, will again be found to be exceeding his powers. Where there is an emergency which is within the four corners of the words used by Lord Haldane in that particular case, such as pestilence, famine or plague, parliament would have power in regard to these works in Canada to afford a remedy. If we adopt this particular amendment and the other amendment which I suggested, which I think is a fair one, I believe it would be a great benefit. But the minister will not accept it. I hope that he will consult the Attorney General of the department of the province which is the authority in the province.

I do not doubt that the Minister of Justice and the Minister of Labour are anxious to keep within their own fields of activity. I think a lot of good will come out of this discussion, both as regard the Dominion field and the municipal field. I do not see the object of rushing this measure through to-day. The amendment might be printed and the matter considered another day.

Mr. MURDOCK: I do not think my hon. friend realizes that this amendment is exactly similar to the amendment passed last year and the year before, and of course is only intended to apply to public works or undertakings as set out in Bill No. 25, which is before the House now.

Mr. BAXTER: That is all that can apply.

Mr. MURDOCK: Yes.

Mr. BAXTER: It cannot touch the municipalities at all.

Mr. MURDOCK: No, of course not. I hope my hon. friend from North Toronto (Mr. Church) will agree with me in this. It seemed inadvisable to propose this amendment, which has been I think generally if not unanimously concurred in by the House of Commons on two previous sessions, until we found out what the House was going to determine in regard to section 2A which we have dealt with. As we have dealt with section 2A, I hope the hon. member for North Toronto will permit us to pass the three additional amendments which were adopted by the House during the last two sessions of parliament.

Amendment agreed to.

Section as amended agreed to.

Mr. MURDOCK: I move that section 58 of the said act be repealed and the following substituted therefor:

[Mr. Church.]

58. Any employer declaring or causing a lockout or making effective a change in wages or hours contrary to the provisions of this act shall be liable to a fine of not less than one hundred dollars, nor more than one thousand dollars for each day or part of a day that such lockout or change exists.

Mr. BAXTER: I should like to ask the minister how the employer can make effectual the change in the hours if the employees do not accept the change.

Mr. MURDOCK: It seems to me that is the trouble. A number of disputes occurred in the past because employers, possibly with notice to the employees, have made effective as of a given date a changed rate of wages and certain changes in the hours of work. The employees have protested and said, "We do not want it, we will not accept it. We do not think you should do that." This amendment contemplates that an arbitrary, hurried change of that kind could not be made, if it resulted in a dispute, until the dispute had been inquired into.

Mr. BAXTER: I am not quite clear about it. My right hon. leader (Mr. Meighen) handed me a copy of the amendment. The amendment to section 57 provides at the end:

If either party uses this or any other provision of this act for the purpose of unjustly maintaining a given condition of affairs through delay, and the board so reports to the minister, such party shall be guilty of an offence, and liable to the same penalties as are imposed for a violation of the next preceding section.

That is, if the party uses it for the purpose of delay. There seems to be no penalty for the violation of section 57, except what is contained in sections 58 and 59, one relating to the employer and the other to the employee.

Mr. MURDOCK: That is correct.

Mr. BAXTER: I see the reason for it.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

SUPPLY

SECRETARY OF STATE

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

Civil government—Secretary of State; salaries, $121,640; contingencies, $21,500.

Hon. A. B. COPP (Secretary of State): I am glad to be able to report that we have a reduction both in the salaries and the number of employees in the department. The number of employees has been reduced

from eighty-six to eighty, a reduction of six, and there has been a reduction in the administration cost of over $9,000.

Mr. MEIGHEN: I suppose the six died. What happened to them?

Mr. COPP: One, I think, died; two were superannuated; two resigned and one was transferred to the Post Office Department.

Mr. MEIGHEN: There may be a saving on the one who died, but that would be the only saving. The two who were superannuated would still be on the paylist, and the two who resigned would, I suppose, continue to receive pay under the Calder Act. The one who has gone to the other department will be paid there. Where is the list showing the additions to those drawing pay under the Calder Act in the Secretary of State's department?

Mr. COPP: Mr. Pelletier, Assistant Under-Secretary of State, has retired on a pension, being paid an allowance of $2,963 per annum.

Mr. MEIGHEN: Is that under the new act?

Mr. COPP: Yes.

Mr. MEIGHEN: What is his age?

Mr. COPP: Seventy-six years. Mr. Learoyd, Assistant Deputy Registrar General, retired on the 1st April, 1925, at the age of seventy-one years, after serving for fifty-one years and six months. His retiring allowance is $2,324.

Mr. MEIGHEN: Was he in good health?

Mr. COPP: No. Mr. P. T. Kirwan, retired on October 1, 1918, being superannuated after thirty-nine years' service on an allowance of $1,470 per annum.

Mr. MEIGHEN: At what age?

Mr. COPP: Sixty-eight.

Mr. MEIGHEN: Why was he retired?

Mr. COPP: That was in 1918 before I took office. I understand he was retired at his own request.

Mr. MEIGHEN: I am referring to retirements in the last year.

Mr. COPP: Mr. A. E. Lewis retired under the Calder Act owing to ill-health on the 22nd September, 1923. He was only twenty-nine years of age. He received a gratuity of $649.98. Mr. A. Drouin, at the age of seventy-two years after thirty-eight years' service, was retired on the 1st October, 1923, with a retiring allowance of $1,596. Mr. H. E. Larkin, after four years in the service, was retired with a gratuity of $300 on the 1st June, 1924.

Mr. MEIGHEN: Has the position of Assistant Under Secretary of State been filled?

Mr. COPP: It is not the intention to fill it.

Mr. MEIGHEN: Or the position of Assistant Deputy Registrar General?

Mr. COPP: No.

Mr. MEIGHEN: As regards the work, or whatever other sufficiently dignified term might be given to what was lately carried on by the late Hon. William Pugsley, what has become of that enterprise since his death?

Mr. COPP: That is not in this vote. Another vote will be provided for that. That is under the war claims.

Mr. MEIGHEN: Would the minister prefer not to have more than one discussion on that subject?

Mr. COPP: I have no objection, but it will only take up more time.

Mr. ROSS (Kingston): Have any changes been made in regard to the naturalization of ex-Canadian citizens? Supposing a man leaves Canada, goes to the United States, takes out citizenship papers there and then later returns to Canada. What qualifications must he possess after his return before he receives naturalization?

Mr. COPP: After he returns he must reside for five years in a British Dominion and then make application in the regular way under the Naturalization Act.

Mr. ROSS (Kingston): Is there any reason for that law that he must reside here for a period of five years in the case of a man who has already been a Canadian citizen?

Mr. COPP: There is an arrangement entered into with the Imperial government after three different Imperial conferences that all the naturalization acts of the various dominions should be in agreement. That has been carried out.

Mr. BEAUBIEN: Has the minister any intention of bringing in any amendments to the Naturalization Act? The reason why I ask that question is this. A number of people have been put to a great deal of inconvenience in appearing before a county court judge. I know of certain cases where the reports of the mounted police as to character and everything else that go to make a good citizen were very favourable to the men who made application, but where the applicants were re-

fused by the judge without any just ground. This is a hardship on these people. I am inclined to believe that the act should be amended so as to provide an appeal to either the minister or someone else. I have nothing against a county court judge, but supposing he is partial in some way or feels that he does not want to issue naturalization papers to a man, there is no redress, no other place where the man can go. This entails expense and inconvenience. It would be better if we would accept such men into our citizenship and let them take their part in the affairs of our country. If we did that, they would be better citizens than they are to-day.

Mr. COPP: The question of naturalization and the machinery and administration of the act are rather complicated. An applicant has to reside in the Dominion for five years. He has to make application to the clerk of the court. Notice of application has to be posted in his office for three months. Then the judge must hear the man's application. He is entitled to appear in person and be heard, and he can bring any persons there in regard to his qualifications, reputation and character, in order to prove to the judge his worthiness and proper qualifications. I quite understand that the reports that are received from different judges throughout Canada are not all uniform. Some will take exceptions different from those taken by others. That is the law, and unless there is some amendment providing for appeal to some other body or official I do not know that anything can very well be done. I shall be glad to consider any suggestions that may be made.

Mr. BEAUBIEN: I think that there should be some appeal from the decision of the judge. I know that in many cases men are refused naturalization papers on the strength of nothing more than a rumour that they intend to use it as a means of getting to the United States, and in such cases there should be some recourse.

Mr. CAMPBELL: Is the judge's decision the last word, or has not the department some power to issue certificates irrespective of what the judge may decide? I know of a great many cases of injustice in my own constituency. I do not suggest that naturalization should be made cheap and open to everyone indiscriminately, but there are cases of hardship where men who have been in the country ten and fifteen years, and even as long as thirty years are refused naturalization without good reason. I know of one case in particular of a man who has been in this country thirty years; he has raised a thoroughly respectable family and in all that time there has been nothing against the character of either himself or his family. But the old man himself is not able to read and write the English language although he speaks English as correctly as may be expected of one who cannot write it. There is absolutely nothing against him. And yet he has been definitely refused a certificate of naturalization. Naturally he feels that he has no share in the institutions of the country and he feels that his children are dubbed foreigners in the district, although they are all able to read and write and are in every way good citizens. I heartily endorse a good deal of what my hon. friend (Mr. Beaubien) has said; I think there should be some provision for an appeal from the judge's decision. At any rate, I think the minister ought to have the right to grant the certificate irrespective of the judge's decision, where he deems it wise to do so.

Mr. COPP: The act does not say anything about being able to read or write; it provides for an adequate knowledge of either English or French. As to just what "adequate" means, that is left to the judge to decide. It is not right to assume that the Secretary of State has any right to override the judge's decision. When the application comes in the department may make a further investigation if this is considered necessary; and whether or not the judge approves of the application the department can refuse the certificate. This matter was before parliament two years ago, when it was suggested that the application should be made direct to the department or to some official in Ottawa in order to avoid delay, and that if the department were satisfied that the applicant was qualified the certificate could be issued forthwith. In the present administration of the act there is of course more or less delay; the applicant has to go to the court, a notice must be posted up, the application must be heard by the judge, and the clerk must send in the report; and if the clerk is not active in forwarding the report then the matter is held up. In some cases we have actually written to the court to find out the cause of the delay. This delay should not be considered so serious a matter in view of the importance of the applicant's naturalization, but there is a strong demand, particularly from the west, that something be done to get rid of this delay. Unless the act is amended materially I do not see what can be done.

Mr. BEAUBIEN: Has the minister the power under the act to-day to grant the certificate where the judge has not approved of the application?

Mr. COPP: The department has come to the conclusion that if the judge disapproves of the application his decision should not be overridden.

Mr. MEIGHEN: I cannot lose this opportunity of congratulating the minister on having revised his opinion on that question. He was wrong for many years—

Mr. COPP: Not many.

Mr. MEIGHEN: —and I struggled hard enough to enlighten him, not, I rejoice to find, without ultimate success.

Mr. COPP: Thanks.

Mr. ROSS (Kingston): As regards the naturalization of a Canadian citizen who returns to this country after having been naturalized in some other country, I can quite understand the minister's view, that there should be uniformity. But does he not think that five years is too long a period for a Canadian citizen, returning under these circumstances, to remain in this country before securing naturalization here and being restored to Canadian citizenship?

Mr. COPP: I might personally be of the same view as my hon. friend, but this question was carefully discussed at different imperial conferences and decided upon.

Mr. ROSS (Kingston): How long ago was the decision arrived at?

Mr. COPP: The matter was under consideration from 1899 to 1914. The United States has the same provision; if one of their citizens becomes naturalized here and returns he must remain in the United States five years before he can regain his American citizenship. The same is true throughout the empire.

Mr. ROSS (Kingston): When will there be another opportunity to discuss this question imperially? The decision, according to the minister, was come to about eleven years ago.

Mr. COPP: I presume at the next imperial conference, whenever that may be.

Mr. EULER: Under our present law a British woman marrying a foreigner becomes a foreigner. I understand that some time ago the British government had under consideration a change in that respect to provide that any British woman marrying a foreigner may elect whether she desires to become a citizen of the country of which her husband is a subject or whether she desires to remain a British subject. Is there any intention on the part of the government to make a change in the law in that regard? To-day, if a Canadian girl, for example, marries an American citizen she loses her Canadian nationality and she does not gain the nationality of her husband; in a word, she is not a citizen of any country. That should not be, and it seems to me it ought to be possible in such a case for the woman to retain her nationality if she so desires.

Mr. COPP: I am informed that a resolution was passed, but no action was taken in regard to it, and we have not been consulted. Unless some further action is taken by the imperial authorities we would not be justified in proceeding with the matter here.

Mr. EULER: I was under the impression that the British authorities had communicated with the dominions.

Mr. COPP: Not on that point.

Mr. EULER: I do not like to be positive about it, but my recollection is very strong that the British government communicated with the governments of the dominions.

Mr. BAXTER: Can the minister inform me if there is any case now of a Canadian who discarded his British nationality, became a United States citizen, and subsequently desired to resume his British status, being held up by the department, or by the county court judge or whoever deals with these matters?

Mr. COPP: I do not remember any such cases.

Mr. BAXTER: Are there any in Nova Scotia? If the minister cannot answer me, I will obtain in the course of a few minutes the name of a man who, I am informed, is in the position I have indicated. There is another matter I want to advert to. A few years ago we had a discussion about delays in connection with naturalization. I do not wonder at the complaints which some hon. members then made. To-day we have been given instances of erroneous rulings made by certain county court judges. But I want to put in a plea that the country should, to some extent, bear with the necessary delays, and even the mistakes—if there are mistakes—of officials who are entrusted with this very important work. I think we ought to proceed on the assumption that the privilege of British nationality is not, per se, the right of any applicant, but is a distinct privilege granted on certain conditions. We ought to be absolutely satisfied as to the fitness of the applicant before we grant him the privilege, and personally I have not much sympathy with the

view which is occasionally put forward that it is a great hardship for a man to have to travel twenty or thirty miles to appear before some naturalization tribunal. For the consideration of members I would point out that it is far better to have a judicial tribunal passing upon a man's qualifications to become a citizen of this country than to have a political tribunal, even this parliament, passing upon those qualifications. Also, that the man who complains of having to travel a score of miles or to spend a few days to obtain a privilege so important as this, would have to travel just as many miles and spend just as much time to get before the same tribunal if he were involved in litigation with some of his neighbours. Why should we take away from a man all the obstacles which intervene between him and his accomplishment of British nationality, and yet leave him to travel perhaps a long distance and spend a good deal of his time in order to defend his civil rights? It is suggested that county court judges sometimes make mistakes. I presume they are still human, and will continue to be to the end of the chapter, and therefore they will continue to make mistakes. But those mistakes may just as well occur in private litigation, and a man may be deprived of a great many other things that are valuable to him because of the mistakes of some officials. Therefore I do not see why we should put what, after all, ought to be the highest thing in the land, a man's participation in British nationality, upon a lower plane than an ordinary lawsuit, and ask to have all formalities disregarded and make naturalization a mere perfunctory ceremony. I repeat, it is far better, even with some hindrances, to have the determination of nationality a matter for a judicial tribunal, even though it may err, than to have it in the hands of any political tribunal whatsoever.

Mr. BROWN: Mr. Chairman, I wish to refer to the point raised by the hon. member for North Waterloo (Mr. Euler). Perhaps he will recall that on two occasions I put a question to the Prime Minister in regard to this matter and with reference to the discussion that took place in the Imperial house. It appears that the press reports of that discussion were not strictly accurate. The matter was introduced into the Imperial house by Major Harvey, by way of resolution to the effect that British women should retain their nationality on marriage to foreigners unless they definitely requested otherwise. An amendment was introduced to this resolution, that they should lose their nationality unless they made a definite request otherwise. Mr. Locker-Lampson promised that if the amendment was adopted he would take the matter up with the dominion governments, but when Lady Astor questioned him as to whether he would do so in case the original resolution was carried he did not make any reply. If I remember rightly, the amendment was withdrawn, and the original resolution carried. But evidently Mr. Locker-Lampson did not assume any responsibility for communicating with the dominion governments. I have had the matter urged upon me by some of our women's organizations, and when I stated to them the situation as I find it to be now, they further urged that the Canadian parliament should not wait until the Imperial parliament acted, but that we should give to our Canadian women who might marry foreigners the right to retain their nationality unless they themselves definitely decided otherwise. For my part I should like to support that position.

Mr. POWER: Mr. Chairman, within the past few months two or three cases similar to those given have come to my personal knowledge. I may be mistaken in this, but I understand that this is a consequence of the United States quota law, the effect of which is that alien women marrying American citizens do not become citizens of the United States unless they comply with certain requirements in respect to residence. I do not know whether it is three years or five.

Mr. EULER: One year only, I believe.

Mr. POWER: Perhaps so, but there are certain residential qualifications. The hardship which results is that this class of women lose their nationality. They are no longer Canadian citizens under our law because they become citizens of the country of their husband, and they do not acquire any new nationality. It seems only fair, in view of these facts, that some such legislation as has been proposed in the British House of Commons should be introduced here. I commend to the Secretary of State the remarks made by the member for North Waterloo (Mr. Euler) and the member for Lisgar (Mr. Brown) in this regard.

Mr. COPP: I assure my hon. friends that if the legislation that is proposed in the Imperial parliament in regard to this question is placed on the statute book, we will do the same thing here. We shall be very glad to communicate with them and see if we cannot impress upon them the necessity of having this uniform legislation passed. Until that is done, under our agreement with the

Imperial parliament we are not in a position to pass this legislation.

Mr. EULER: Do I understand that the minister proposes to initiate the action himself?

Mr. COPP: We can only do it by communicating with them.

Mr. EULER: And the minister will communicate?

Mr. COPP: Yes, we would be glad to do that.

Mr. LADNER: I wish to draw the attention of the Secretary of State to two very important points in connection with the Naturalization Act as affecting particularly British Columbia, and I would hope that he will bring down some amendments to the act in that connection. I wrote to the minister on the 24th of June, 1924, regarding this matter, and he has received other communications from people in the west who are highly competent to form opinions on the subject. Under the first section of the present Naturalization Act it will be seen that any person born within His Majesty's dominions and any person born on a British ship, whether in foreign waters or not, is by the accident of birth a natural-born British subject, regardless of colour, race, assimilibility or otherwise, or whether the citizens of this country like it or not. This is a highly unsatisfactory state of the law, because there may be many reasons why such persons, through conditions of physical health, mental defectiveness or otherwise, might not make desirable citizens of Canada; or they might be persons who could not be accepted in this country. In many cases they become a public charge and remain so all their lives. Another point is the question of dual nationality. A number of nations have provided in their law that when their citizens come to a country such as Canada and acquire naturalization or citizenship they also retain for all the purposes of their country of origin the obligations and rights of citizens of that country. But some nations, Japan and others, have passed a law by which a citizen of dual nationality cannot obtain citizenship in their country, and the matter is becoming one of considerable interest and concern to the people of British Columbia. I think the time has arrived when the minister could properly amend the law so as to make it conform with that of almost all other nations. There are several other matters of lesser importance to which I could draw the attention of the minister, but at this late hour I will not do so; they have already been placed before his department. They are of considerable importance to the west and they have been the subject of resolutions of public bodies and of discussion in the press, and I am sure that amendments could be introduced dealing with these points with resulting benefit to the country as a whole. I repeat that we should do away with dual nationality and with the possibility of people born on a British boat automatically obtaining citizenship in this country. Is it the intention of the minister at this session to deal with these by amendment to the Naturalization Act?

6 p.m.

Mr. COPP: My hon. friend has mentioned only a few of the many difficulties that we encounter in the administration of the naturalization law.

Mr. LADNER: It is not a question of administration; it is the law itself.

Mr. COPP: Well, the suggested amendments. Amendments have been suggested from different quarters in regard to our naturalization as well as our other laws, and the officials are giving them consideration. As I have already told my hon. friend, we appreciate the difficulties that have arisen; we realize the importance of the suggestions made, but we have an arrangement with the Imperial authorities whereby our naturalization law shall be kept uniform with theirs.

Mr. LADNER: The minister is not suggesting that these matters would in any way interfere with that?

Mr. COPP: We are discussing all these matters. It is not the intention of the department to bring down any amendments to the Naturalization Act this year, but we hope as the result of conference to be able to meet the many difficulties that we experience in the administration of the law and to make some changes. In reply to the hon. member for St. John and Albert—

Mr. BAXTER: I may say to the minister that I have since obtained some information, and the matter will be taken up privately with him.

Mr. LADNER: I wanted to ask the minister whether the conference to which he refers is to be a conference of dominions, or provinces, or nations, or what?

Mr. COPP: The Imperial conference. We hope to discuss the matter with representatives of the Imperial government.

Mr. LADNER: Is that conference to take place this summer?

Mr. COPP: We do not know, but we hope we may have one.

Mr. WOODSWORTH: Representations have been made to me that it has been made very difficult in many cases for foreigners to become naturalized. There are a large number of workers in nearly all our northern camps and throughout the prairie provinces who were born outside of Canada; in many industries they form as high as fifty or sixty per cent of the workers.

Mr. COPP: If my hon. friend will permit me, there is a special vote under which matters affecting naturalization can appropriately be discussed, and perhaps he would be willing to leave this matter over until that item comes up.

Sir HENRY DRAYTON: A good deal of the expense in this department has been in connection with the settlement of claims against Germany, and the idea was that there would be a considerable contraction in expense as this adjustment proceeded. There is some contraction, but it is not very considerable. I should have thought that the adjustment of these claims would be now pretty well advanced and that considerable retrenchment would be made. Another reason why we had to have a large number of employees was because of the issuing of passports, and I understood that that also was in the way of being cut down.

Mr. COPP: Passports are not under my department.

Sir HENRY DRAYTON: How does the matter of the adjustment of enemy claims stand at the present?

Mr. COPP: There is a considerable saving under this head—a reduction from $85,000 to $35,000. There is another vote, however, under which this can be discussed.

Item agreed to.

Progress reported.

LAKE OF THE WOODS AND RAINY LAKE LEVELS

Mr. SPEAKER: I have the honour to inform the House that a message has been received from the Senate informing this House that the Senate doth unite with the House of Commons in the approval of the convention and protocol between His Majesty, in respect to the Dominion of Canada, and the United States of America, for regulating the level of the Lake of the Woods, and of identical letters of reference submitting to the International Joint Commission certain questions as to the regulation of the levels of Rainy lake and other upper waters, laid upon the table of the House on Thursday, the 26th of February, 1925, which were signed at Washington on the 24th day of February, one thousand nine hundred and twenty-five, and which were signed on behalf of His Majesty in respect of Canada by the plenipotentiary therein named, by filling in the blank space therein with the words "Senate and".

[Mr. Ladner.]

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

Thursday, May 14, 1925

The House met at three o'clock.

REPORTS OF COMMITTEES

Third report of the committee of both Houses on the Printing of Parliament.—(Mr. Marcil, Bonaventure.)

Fourth report of the select standing committee on Railways, Canals and Telegraph Lines.—(Mr. Cahill.)

PRIVATE BILLS

FIRST READINGS

Bill No. 120, from the Senate, respecting The Essex Terminal Railway Company.—Mr. Healy.

Bill No. 121, from the Senate, for the relief of Dorothy Strathy.—Mr. Preston.

Bill No. 122, from the Senate, for the relief of Minnie Williams Goldberg.—Mr. Jacobs.

Bill No. 123, from the Senate, for the relief of Ruth Dorothy Rutenberg.—Mr. Baxter.

Bill No. 124, from the Senate, for the relief of Charles Arthur Sara.—Mr. Duff.

Bill No. 125, from the Senate, for the relief of Frederick George Randall Lacey.—Mr. Ryckman.

Bill No. 126, from the Senate, for the relief of Mollie Weiner.—Mr. Jacobs.

Bill No. 127, from the Senate, for the relief of Norma Evelyn Stevens Hammond.—Mr. Church.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

CIVIL SERVICE—SALARY REVISION

Hon. Mr. STEVENS:

1. Has the government received a full report on the salary revision of the Civil Service?

2. If so, is it the intention of the government to bring the same into operation this year?

3. Is it the intention of the government to introduce any legislation providing fixed labour laws for members of the Civil Service at 44 hours per week?

4. What action has been taken in connection with the request of the Amalgamated Civil Servants, having reference to, (a) resintatement of eastern postal employees who were dismissed; (b) the right of government employees to petition; (c) dismissal of O. Power, Vancouver, British Columbia?

Hon. Mr. COPP:

1. Yes.

2. Yes. The necessary orders in council authorizing salary revision have been passed and action is now proceeding to apply the revision this year.

3. No.

4. (a) The Civil Service Act passed in May, 1918, does not make provision for the reinstatement of dismissed employees.

(b) Employees have never been refused the right to petition, and in fact, are regularly doing so.

(c) Representations from the Amalgamated Civil Servants were received and, after the consideration, the reasons for Mr. Power's dismissal were given, which apparently satisfied the Amalgamated Civil Servants, as nothing further has been heard from them in regard to this matter.

MR. ALEXANDER McLEAN, VANCOUVER

Hon. Mr. STEVENS:

1. Did the Board of Pension Commissioners prefer a charge of perjury against a veteran of the Great War, named Alexander McLean of Vancouver?

2. Was the said charge tried before Mr. Justice Macdonald, a justice of the Supreme Court, and jury at Vancouver?

3. Was the Minister of Soldiers' Civil Re-establishment advised of the intention to prosecute said Alexander McLean?

4. At whose request, or upon whose report was the said charge preferred?

5. Before authorizing prosecution of a veteran of the Great War upon so serious a charge as perjury, did the government, or the Board of Pension Commissioners, exhaust every possible source of information as to the truthfulness of the statements of the said war veteran?

6. What was the finding of the jury, and what was the nature of the charge of the said Justice W. A. Macdonald to the said jury?

7. Has the government been advised that, as a result of the said trial, Alexander McLean has been honourably acquitted and his name cleared?

8. Before preferring a criminal charge against the said Alexander McLean, did the officials having the matter in hand, secure from the said Alexander McLean the material evidence in his possession which was later produced at the said trial? If so, why was the said charge laid? If not, why was not every effort made to secure the evidence in fairness to the said Alexander McLean?

9. In view of the result of the said trial, has the government instituted enquiry to ascertain definitely who, among the officers acting on behalf of the Board of Pension Commissioners and the government, were responsible for the unwarranted blunder, and humiliation and embarrassment of said Alexander McLean? And will the government take necessary steps to punish and discipline all officials shown to be responsible?

Hon. Mr. BELAND:

1. A charge of perjury was laid against an ex-soldier known as Alexander Archibald McLean, of Vancouver.

2. It is understood that it was so tried but the department is not yet in receipt of any report upon it from the Attorney General of British Columbia or his agents, in whose hands lay the conduct of the trial.

3. No.

4. The official file of documents in the case was submitted by the Board of Pension Commissioners to the Department of Justice with a view to prosecution and proceedings were instituted accordingly.

5. Yes.

6, 7. 8 and 9. Information is not available pending receipt of report referred to in 2.

DISTRIBUTION OF CENSUS

Mr. BROWN:

When will the full report of the census of 1921 be available for distribution?

Hon. Mr. LOW: Three additional volumes during the present year; the remaining two volumes in 1926. Most of the data which will appear in these volumes have already been issued in bulletin form.

STAMP TAX COLLECTIONS

Sir HENRY DRAYTON:

1. What amount was collected in the fiscal year last closed under the tax requring stamps to be affixed to cheques, receipts, etc?

2. Do the returns made enable the government to give the amount collected for stamps required for receipts?

3. If not, what is the amount estimated to have been received for stamps on receipts?

Hon. Mr. CARDIN:

1. $9,321,890.82.

2. No.

3. No information available upon which to base an estimate.

REBATE OF DUTY ON CHEESE

Mr. STEWART (Leeds):

1. What is the aggregate amount of drawback or rebate of duty allowed and paid to importers of cheese used in the manufacture of kraft or loaf cheese exported during the fiscal year 1924-25?

2. To whom were such rebates paid and what amount was paid to each party receiving such rebate?

Hon. Mr. CARDIN:

1. Nil.

2. Answered by No. 1.

BUSINESS OF THE HOUSE

ASCENSION DAY ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I move, in accordance with the notice given:

That when this House adjourns on Wednesday, the 20th of May, instant, it stand adjourned until Friday, the 22nd instant.

Mr. BAXTER: What is the intention of the right hon. the Prime Minister with regard to sitting on Monday, May 25? I should like to know if the House will sit on Victoria day, or whether we will have a holiday in honour of the good Queen Victoria. Hon. members will probably want to make arrangements of one kind or another.

Mr. MACKENZIE KING: The government thought it would be meeting the wishes of the House generally if we sat on the 25th May in order to get through the business as soon as possible.

Motion agreed to.

HYDRO-ELECTRIC POWER EXPORT TAX

On the Orders of the Day:

Sir HENRY DRAYTON (West York): Has any action been taken in connection with the appeal by the municipalities of Ontario in regard to the export tax under firm contracts?

Hon. J. A. ROBB (Acting Minister of Finance): My recollection is that there has been no appeal from the government of Ontario. We have had representations made to us on behalf of the Hydro-Electric Commission.

Sir HENRY DRAYTON: My hon. friend did not get my question. It was on behalf of the municipalities of Ontario that are interested in hydro-development, in connection with firm contracts by which they are bound. I think my hon. friend recollects the deputation. What, if any, action has been taken?

Hon. T. A. LOW (Minister of Trade and Commerce): Representations have been made, and the whole matter is under consideration.

BUSINESS OF THE HOUSE—FURTHER LEGISLATION

RAILWAY FREIGHT RATES

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I notice that the Premier of British Columbia has been here for a couple of weeks, I presume in connection with the freight rates question. Is the government ready with its legislation in regard to the freight rates question, and if so, does it include something to provide for the claims which British Columbia has been advancing for so many years so ineffectually?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I think that to answer fully my hon. friend's question would be to say that the government is not ready with its legislation.

HOME BANK

Mr. H. C. HOCKEN (West Toronto): When may we expect the Home Bank bill?

Hon. J. A. ROBB (Acting Minister of Finance): We would like to make some progress in getting the budget resolutions off the slate before we bring up any other legislation.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): What harm would it do to let parliament know what legislation is going to be brought down?

Mr. ROBB: We will let my right hon. friend know in good time.

Mr. MEIGHEN: It is now three and a half months since parliament opened and none of the important legislation is down yet. We have no idea what it is going to be.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I take exception to my right hon. friend's statement that none of the important legislation is down yet. I think a great deal of it is down. There is other important legislation to be brought down and I hope it will be brought down very shortly. Answering the hon. member for West Toronto, I think probably within another fortnight we shall be able to bring in the bill to which he has just referred.

Hon. H. H. STEVENS (Vancouver Centre): What did the Acting Minister of Finance mean when he said that he would like to make some progress in getting the budget resolutions off the slate? What delay has been occasioned in the last two or three days?

Mr. ROBB: I am not referring to the last few days. I am referring to the period that has elapsed since the introduction of the budget.

Mr. MEIGHEN: How would that impede the bringing down of any other legislation? It would not impede it in the slightest degree. That is no excuse.

SOLDIER SETTLEMENT LANDS

Mr. E. J. GARLAND (Bow River): Is the government prepared to bring in any legislation respecting the revaluation of soldier settlers' land, live stock and equipment?

Hon. J. A. ROBB (Minister of Immigration and Colonization): Yes.

DOMINION ELECTIONS ACT AMENDMENTS

Mr. WILLIAM IRVINE (East Calgary): The Solicitor General (Mr. McMurray) promised the House that there would be some legislation in connection with the Dominion Elections Act. Is it still the intention of the Government to bring it down?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Yes, it will be brought down very soon.

CANADA—FINLAND TREATY OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to introduce a measure to provide that goods produced or manufactured in Finland shall receive treatment as favourable as that accorded to goods produced or manufactured in any foreign country so long as goods produced or manufactured in Canada enjoy in Finland the same treatment as is enjoyed by similar goods produced or manufactured in the United Kingdom, as set out in Article 23 of the Treaty of Commerce and Navigation between the United Kingdom of Great Britain and Ireland and Finland, made at Helsingfors the 14th day of December, 1923.

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

Mr. MEIGHEN: The House will readily see the great difference between this resolution as a matter of both form and substance and the resolution which we were asked to pass as the antecedent to the Grain Act. This resolution at least sets out what nature of legislation the government intends. Would the minister be good enough to give us a review of the history of the enactment?—that is to say: what has led up to this; what has been our trade relations with England; how has it come about that we have entered into this arrangement; and specifically what is Canada to get in return for the concessions made.

Mr. ROBB: This will involve practically the same legislation as we had last year in a bill that was passed through this House without very much objection if any, but that was defeated in the Upper Chamber. As my right hon. friend knows, the population of Finland is about 3,335,000. The trade of Canada with Finland has been considerable and it is a favourable trade for Canada. For instance, for the ten months ended January, 1925, the total importations from Finland amounted to $13,581 and the total exportations to Finland of goods produced in Canada amounted to $908,777. The imports from Finland include the following:

Cream separators	$2,187
Wrapping paper, kraft	2,777
Tissue paper	3,842
Other paper and manufactures of	628

Mr. MEIGHEN: The total of that would be only a few thousand.

Mr. ROBB: Yes, just a few thousand on kraft paper. When this goes through they will come under the French treaty which is 20¼ per cent on this particular article, and the present tariff being 25 per cent they will then have an advantage of 4¾ per cent. The total imports into Finland of kraft paper amounted to $2,777. Our exports to Finland are largely of farm products. The list is as follows:

Flour	$787,995
Oatmeal and rolled oats	50,751
Clover seed	2,880
Lard	4,984
Felt	6,060
Pipe and tubing	11,695
Adding and calculating machines	18,000
Woodworking machinery	4,095
Automobiles	17,058
All other items	5,259
Total	$908,777

Mr. HOEY: What is the duty on flour entering Finland?

Mr. ROBB: Finland has two tariffs, a general and a conventional. I have no record of the duty on flour, but the duty on passenger automobiles under the general tariff is 20 per cent.

Mr. FORKE: Is there any duty on flour into Finland? I should not think so.

Mr. ROBB: There is a duty on flour and I will tell my hon. friend why I think so. The matter was brought to my attention last year by one who I think is the largest miller in Canada. He was complaining that this trade agreement had been killed in the Senate and those to whom he made the complaint retorted that this had been done by his own friends, the kraft people; for it so happened that he was also president of a kraft mill. He was disturbed because it meant a loss of trade in some way to him. The duty on passenger automobiles is 20 per cent under the general tariff and 8¾ per cent under the conventional tariff, and that I

think is a fair indication of the general trend of the duties. Under article 5 of the treaty we shall be entitled to whatever favoured nation concessions Finland gives. There is no preference in regard to flour but there is a duty of about 2 cents per kilogram.

Mr. MacLAREN: Are the imports from Finland limited to those coming direct through Canadian ports, as is the case in other treaties?

Mr. ROBB: Yes; the imports under all favoured nation concessions come through Canadian ports.

Mr. MEIGHEN: I do not think the minister fancies that he has given us even a fraction of the information we ought to have before coming to a conclusion.

Mr. ROBB: If my right hon. friend desires more I shall be glad to give it.

Mr. MEIGHEN: Here we are proposing to give concessions to Finland in respect of a very important article of Canadian produce, an article in respect of which Finland is in the world to-day a very keen competitor. It may be wise to give these concessions if we get sufficient to return, but I fancy that no hon. member has yet received from the minister information in regard to one single thing we get in return. He says that we shall get the conventional tariff subject to certain conditions. That compels us to look at our exports and see whether these concessions are any good to us. Our principal export to Finland is flour; I gather from the minister's figures that it is more than all the rest together, four times over. And the minister tells us that he does not know whether or not there is a duty on this commodity into Finland.

Mr. ROBB: I said there was a duty but no preference.

Mr. MEIGHEN: But we need to know not only that there is a duty but what it is, whether or not it is to be changed by the treaty, and if so to what extent. That is the principal single item of our exports to that country, over-shadowing all the others, and we ought to know something about it.

Mr. ROBB: I have told the committee already that there is a small duty on flour but no preference. But I submit that there is a considerable advantage to Canada in having this treaty go through. I know where the opposition to this treaty comes from; It was the subject of a boast in the upper house last year. It was then stated that the opposition came from the kraft people. But surely Canada need not be afraid of this treaty so far as our kraft imports are concerned, the total from Finland being, as I have said, some $2,777. We are getting concessions on automobiles and other products and with these, in a market of 3,500,000 people, we shall be able to develop some business. What is the situation in regard to the kraft mills of Canada? The production in Canada was $4,000,000 and there was imported $5,464,000 of wrapping. The production of manilla paper was $4,464,198 and all other wrapping paper $3,201,976, or a total production of $7,666,174. There was imported into Canada from all countries during the fiscal year ending March 31, 1924, $564,890, making a total for production and imports of $8,231,064. That was the production and importations.

Mr. MEIGHEN: Production of what?

Mr. ROBB: Of kraft and wrapping papers in Canada. What were the exports? Let us keep in mind that the total quantity that came in from Finland was $2,770, but during that period Canada exported $3,153,515. And they are afraid of an importation of less than $3,000!

Mr. STEVENS: What is the duty on kraft?

Mr. ROBB: I gave that a few moments ago—25 per cent. Under this agreement Finland will get a duty of 20¼ per cent; she will have a preference of 4¾ per cent. My hon. friend referred to the question of flour. We have representations made to us on behalf of the Canadian Millers' Association, and I quote a letter addressed to the Minister of Trade and Commerce, (Mr. Low) on March 7, 1924:

> I understand negotiations are pending with regard to a commercial treaty between the United States and Finland.

The United States are our competitors in exporting flour.

> I believe that a commercial treaty now exists between Great Britain and Finland and I believe Canadian goods would come within this treaty.
>
> As the Finnish trade in flour is still in the hands of United States mills to a large extent, we would like to suggest that some action be taken through your department to protect the interests of Canadian flour shippers in the event of this treaty between the United States and Finland working to our detriment.
>
> This is a valuable market and one we would like to maintain.

For the moment I had quite forgotten that the United States were negotiating for a special treaty with Finland.

Mr. MEIGHEN: Who signs that letter?

Mr. ROBB: F. C. Cornell, who at that time was secretary of the Canadian Millers' Association.

Mr. MEIGHEN: I do not think we have much light yet. We are clear on one thing only—at least I am; we are conceding to Finland a reduction of duty on kraft paper from 25 to 20¼ per cent. The minister starts out by saying that he knows where the opposition is coming from. I have not seen any yet. I am endeavouring to get some light. If the minister wants to throw an aspersion on any member of this House,—

Mr. ROBB: No.

Mr. MEIGHEN: —that he has been influenced by any kraft paper man or anybody else not to do what is in the public interest, I hurl it back. I tell him first, that neither last session nor this did any kraft paper man speak to me directly, indirectly or in any other way with respect to the Finnish treaty of last session or this, nor did I know until now that this was a re-introduction of the Finnish treaty in another form. I assume the makers of kraft paper would be opposed to any tariff concessions. That is not something to introduce into the debate as a sort of sinister feature likely to colour the actions of hon. members. I set out to find what we are giving and what we are getting. We have learned a lot of what we are giving—4¾ per cent on kraft paper. I am not yet informed what we are giving in respect of other papers, or if we are giving anything.

Mr. ROBB: We are giving them our intermediate column on all business.

Mr. MEIGHEN: It is considerable, but just what it means one does not know. One has to analyse the business to ascertain whether it is important or not. When we come to the other side we have very little, so far as specific application is concerned, to enlighten us on what we are giving, except as to kraft paper. We do not know what its application is specifically. Going the other way, we find our exports of flour are $500,000.

Mr. ROBB: They are $700,000.

Mr. MEIGHEN: That is still more. The next highest is $50,000, and the rest is very, very small, $6,000. So flour overshadows all other exports many, many times over.

Mr. ROBB: It does.

Mr. MEIGHEN: The minister tells us immediately afterwards what we get. There is a duty on flour into Finland, there is no preference to anybody. So we are not getting anything on flour, and what the letter of Mr. Cornell had to do with flour I do not know. Naturally he was anxious that, if necessary, steps should be taken to prevent the United States getting anything better than we are getting.

Mr. ROBB: That is it.

Mr. MEIGHEN: But, first of all, we do not know if the United States has got anything, and, in the second place, according to this resolution we would not be protecting ourselves at all. This resolution merely says that Finland shall give in respect of our goods as low a tariff as she gives the United Kingdom —not as low as she gives the United States.

Mr. ROBB: She gives the United Kingdom the most favoured nation treatment, and if she gives the United States anything lower than is now contained in the arrangement with the United Kingdom, automatically the United Kingdom will receive the same treatment.

Mr. MEIGHEN: She does not give the most favoured nation treatment to anybody on flour. Of course, in the future she might. That letter was written a year ago last March, and the United States cannot possibly have any preference on flour, because the minister has already said there is no preference to any nation on flour.

Mr. ROBB: Not yet.

Mr. MEIGHEN: And I would not presume that the negotiations are continuing. As a matter of fact the United States do not make treaties with any other nation giving a preference in their markets. I think the minister will have to admit that the United States make their tariff as they think best suits themselves, and they give no preferential treatment to any country except to Cuba, which is part of themselves. So there is not any bugaboo to be afraid of there. In respect of flour, then, we get absolutely nothing. The minister suggested that we get something on automobiles—he did not tell us what it was. I should like to know what it is. But I do not want any hon. members to be under the delusion that we are getting something in respect of our great flour export business to Finland, for we are getting nothing at all.

Mr. ROBB: We are getting a concession on automobile wheels. The duty is 20 per cent under the general tariff, and we will get 8¾ per cent.

Mr. MEIGHEN: Do we sell them any automobile wheels?

Mr. ROBB: We have a pile of correspondence from the manufacturers of automobiles and agricultural implements urging us to get this concession put through.

Mr. MEIGHEN: I think it would be not at all unlikely that we would be selling them automobile wheels, but I should like to know for sure.

Mr. GOOD: Mr. Chairman, I wonder if it does not strike hon. members as rather curious, or at all events as rather signficant, that this and all similar questions are usually discussed wholly from the standpoint of our interests as producers. I hear constantly about "giving" and "getting." Now, I submitted to the House the other day, that public policy, particularly in such matters, ought to be based on the interests of the citizens as consumers rather than as producers. And yet day after day, week after week, year after year, public policy is debated here and elsewhere wholly, or almost wholly, from the standpoint of our interests as producers. My right hon. friend (Mr. Meighen) talks about our "giving" concessions to Finnish producers: they are "getting" something if we "give" them a market; we are "getting" something if they "give" us a market. If we give to Finnish producers a market here, are we not entitled to consider what we are getting as buyers? I submit that we are looking at these questions in a topsy-turvy way. I am astonished, disturbed and discouraged at the persistent upside down attitude of the people toward these matters. There is sound ground for the view that public policy ought to be based on our interests as consumers rather than on our interests as producers. I submitted argument in that connection the other night when speaking on the budget. But apparently nobody ever dreams in these discussions of considering the interests of Canadian citizens as consumers. Personally I am in favour of freer trade relations with any country and I think this measure is perfectly in order whether we are getting or giving, because if we can break down these trade barriers producers and consumers are both bound to benefit. I rose only to call the attention of the committee to the very curious situation that faces us.

Mr. ROBB: Replying to my right hon. friend (Mr. Meighen), the general tariff on passenger motor cars is 20 per cent. We will get the conventional tariff, 8¾ per cent.

Mr. MEIGHEN: Have we sent them any?

Mr. ROBB: Yes, in the fiscal year ending in 1924 we sent them $13,523 worth.

[Mr. Meighen.]

Mr. MEIGHEN: About six cars.

Mr. ROBB: I quoted the tariff a moment ago, but I might mention that there is a duty per kilo on passenger motor cars not weighing more than 900 kilogrammes. The general tariff is 3.50 markkas, the conventional tariff is 1.81 markkas. For those over 900 kilogrammes the general tariff is 5 markkas and the conventional tariff 2.18 markkas.

Mr. MEIGHEN: If we are selling even six cars to Finland it is something, but it is rather picayune as yet, I am afraid. I am always grateful to be set right and be put back on my feet instead of my head by the hon. member for Brant. I entirely agree that we are all consumers in this world, and in Canada we are not only consumers, but under the present policy we are being consumed. I think I got the right application of the hon. member's theory; that the lower our duties are the better for us, because it will be easier to live. On the same principle the higher Finland has hers the better for us, because if we cannot sell them our wheat it will make wheat cheaper here. No doubt the hon. member is very anxious, therefore, to get wheat down so that people can live more cheaply in Canada. People always talk on these points until they get responsibility, then they begin to think more seriously. In this case it is just a matter of whether or not a trade arrangement adds to the productive industry of this country more than it detracts. That is what we have to weigh. Will the minister tell us what other imports from Finland are affected here, before we go into the exports, besides the kraft paper? There must be something else; I cannot help thinking that if there has been any serious objection from the kraft paper people it must be because the whole information is not given us. Surely in the face of $2,000 of imports as against $3,000,000 of exports there would not be much occasion for worrying about a 4¼ per cent reduction. There must be more significance to it than appears on the surface.

Mr. ROBB: I will give the imports again, for the ten months ended January, 1925. The first item is cream separators, $2,187. My right hon. friend can figure out for himself what advantage that is going to be to Finland. Cream separators are on our free list. Then there is wrapping paper, kraft, $2,777. On goods from Finland there will be a reduction of 4¾ per cent.

Mr. CRERAR: A little less than $100 altogether.

Mr. ROBB: On tissue paper, same reduction, the value of the import was $3,842; other paper and manufactures, $628.

Mr. MEIGHEN: What about newsprint?

Mr. ROBB: Newsprint is not mentioned. They do not ship any to Canada.

Mr. MEIGHEN: But they may.

Mr. ROBB: They may, and it will not hurt anybody if they do. Flagstone, granite, if manufactured, $1,487. The general rate is 35 per cent and the intermediate 32½. We give them a reduction of 2½ per cent. All the other articles total $2,660. My right hon. friend can figure out how much Finland is going to get out of this deal.

Mr. CRERAR: What is the total volume of our imports from Finland annually and our exports to Finland?

Mr. ROBB: The total value of the imports for the ten months ended January, 1925, was $13,581, while the total exports to Finland were $908,777. The following were the items of our export to Finland for the fiscal year ended March 31, 1924:

Rye	$ 173,600
Oatmeal and rolled oats	66,690
Flour of wheat	1,322,501
Lard	67,425
Tires	7,219
Pipe and tubing	37,341
Mowing machines	28,283
Cultivators	1,510
Other agricultural tools and implements	699
Ploughs	2,526
Adding machines	19,125
Other machinery	7,820
Automobiles	13,523
Other vehicles	3,200
Other articles	5,817
Total	$1,754,279

Our total imports during the same period amounted to $6,090.

Mr. MANION: Is it not possible that we are importing quantities of Finnish goods through some other country—England, for example? The figures are so vastly different that one would almost think that was being done.

Mr. ROBB: I have no record of that. That would be another question.

Mr. EVANS: Under this resolution we are asked to consider what practically amounts to a treaty of reciprocity with Finland. I am at a loss to know why the government goes all round the world seeking to make trade treaties with all these small countries, while they pass by the one country with whom it is natural we should trade, the United States.

[Mr. Crerar.]

Mr. ROBB: What evidence has my hon. friend that the government have not made an attempt to get a treaty with the United States?

Mr. EVANS: When Mr. Fielding brought down the first and second budgets of this parliament, he emphasized the point that we should push for reciprocity with the United States. Since then no member of the cabinet has made any report at all concerning what they have done to bring this about. The United States in many articles are offering us reciprocity. They place on the free list many articles that we produce in Canada, including agricultural implements and boots and shoes. This year, instead of seeking reciprocity with that great country, which is our natural market for many of our products, we have given the United States a slap in the face by increasing the duty on coal.

In answer to the right hon. leader of the opposition, we can classify the consumers of this country, and there is a class of consumers who really have to pay all the unfair charges which unfair tariff measures place against us. For instance, most of these unfair charges are passed on until they come down to the agriculturist, and the market of the agriculturist has been closed in, and no treaty has been made with the United States, which I believe could have been done had we been so minded. There is a country that calls for our store cattle from western Canada. We can raise all the store cattle we like in western Canada on the roughage which is consequent in a grain growing area. In the United States they have the feed and the corn to finish and fatten those beeves, and with the climate as it is, that can be done much more profitably in the United States than with us; but, instead of seeking reciprocity with that great country, which is the natural one for us to trade with, we go all round the world seeking trade treaties with other countries which do not amount to anything; and in all these treaties one thing is noticeable, that organized industry in this country is favoured every time as against the consumer. That class of our population seems to have the ear of the government at all times. To bring the cost of living down does not seem to be the aim of our legislators yet, and until that is done I think any trade treaty is useless while the cost of production and the cost of living in this country remain so high. I think it is a

desirable thing that we should trade with Finland. I am in favour of it, but I think every effort should be bent towards seeking a reciprocal trade arrangement with the country to the south of us.

Mr. McQUARRIE: The minister has referred to the comparatively small total of our imports of kraft paper from Finland. I presume the matter which is troubling the kraft paper manufacturers is that under the proposed reduced tariff the imports will be greatly increased. I think the minister must be aware that the paper mills which produce kraft paper in this country have been having a very hard time. I am informed that one mill in Ontario has closed down altogether because it cannot get a market for its kraft paper.

Mr. ROBB: It so happens that the president, I think, or at all events a director of the kraft mill at Dryden, is one of the men who is urgent that we get this treaty through so that he will he taken care of there in regard to flour.

Mr. MEIGHEN: He is in the flour business too. But the minister says this does not affect flour.

Mr. ROBB: It will, if the United States gets in.

Mr. MEIGHEN: If!

Mr. McQUARRIE: I have received communications from British Columbia concerns, which I forwarded to the minister some time ago. One is from the Westminster Paper Mills. This is a new industry which we expected to be quite an asset to the community as it would employ quite a number of men. I have received a letter from that concern which reads in part as follows:

> Understanding that the proposed preferential treaty with Finland, which at the last session was thrown out by the Senate, and under which the duty on kraft wrapping paper imported from Finland into Canada would be reduced from 25 per cent to 20½ per cent, we desire to vigorously protest against any reduction in the rate of duty on importations of wrapping paper into Canada, from Finland or elsewhere.
>
> Burdened with high labour costs and heavy taxes, and harassed by competition from European paper mills, who have the advantage of depreciated exchange, and low labour costs, it is with difficulty that the Canadian wrapping paper mills hold their heads above water, and in confirmation of representations made to the Minister of Customs some time ago asking for an increase in the rate of duty to 35 per cent, any change in the rate of duty on importations of kraft paper into Canada, instead of being downwards, should be upwards.

[Mr. Evans.]

Then I have another letter from the Pacific Mills, Limited, Vancouver. They have mills at Ocean Falls, B.C. All these paper concerns, as I have said, have been having a hard time.

Mr. ROBB: Do the Pacific Mills also make newsprint?

Mr. McQUARRIE: I think they do. As the minister knows, the paper mills have been having a hard time, and if Canada is going to be the great country we want it to be, surely we must do something to encourage industries to locate and stay in this country. We in British Columbia are very much interested in this industry, particularly because these mills are manufacturing the natural resources of our country. Now how are you going to do that if you allow importations unfairly to come into this country and put our mills out of business? I think it is a very great mistake to reduce the duty on kraft paper; I agree with the paper concerns that this duty, instead of being reduced, should be increased. We must give our industries a chance to live; otherwise we are going backwards instead of going ahead.

4 p.m.

Mr. GOULD: It seems to me rather lamentable that an hon. member should rise in his place and protest on behalf of the paper industry in this Canada of ours, which is filled with the natural resources from which paper is made, and show his fear because there is an import of kraft paper from Finland to the amount of $2,770, which is the figure the minister has given. It seems to me belittling on the part of the hon. member and more belittling on the part of those engaged in the industries who would ask him or any other man to stand up in the House of Commons and plead for them, and even go so far as to protest that the possibility was that they might be put out of business. Who are the manufacturers that they fear the granting of such privileges as these? And what privileges are they asking the people of Canada to stand for that they will take up such a picayune thing and make a protest on the floor of the House? It should be to the shame of the institution that they stoop to such a thing as to profess fear of competition from a country with few natural resources such as Finland has to provide for the production of kraft paper, as against the great natural resources of Canada. I anticipate that the minister has a great hope that our exports to Finland will increase. On the other hand, we

have reason to believe that the statesmen of Finland are confident that their exports to Canada will increase. That is the purpose. But apparently the policy adopted in order to develop our industries is to erect a barrier of taxation and then to spend the money collected by taxation in going round the world trying to get favoured nations treatment, trying by some means to overcome the conditions we ourselves have created. I am prepared to believe that all the difference it will make in our tariff between Finland and Canada will be eaten up by the cost of the few words of discussion which have taken place in the House. We have erected a barrier, and now we try to crawl out and evade the barrier we have created. I endorse the sentiment expressed by the hon. member for Brant (Mr. Good) that we are approaching these subjects from a wrong point of view. The loud protest comes from some institutions which are producing their manufactures from our natural resources, of which we have plenty, but now by the admissions they make and the privileges they ask they confess their inability to compete with other countries. I do not think any government of this country should listen to them but rather should read them a lesson—tell them that an all-wise Providence gave them these natural resources, and if they are industrious and capable they can stand upon their own feet and not create an extra burden upon the country.

Mr. CHAPLIN: How many other countries manufacturing kraft paper will have advantage of this treaty under the present favoured nations clauses of the treaty?

Mr. ROBB: No other countries manufacturing kraft paper will automatically come in. Of course there may be some countries which have the preference now, but no other countries will be added. Sweden had the privilege, and Sweden shipped in $48,776 worth, and the United Kingdom has the preference and they have something even better, they have the full British preference; and they shipped in last year $44,430 worth.

Mr. CHAPLIN: While we are on the subject I would like to inquire what the importations of paper have been from Japan and from Norway, because both those countries are manufacturers of kraft paper; they will come under this treaty and will have the benefits of it.

Mr. ROBB: Japan will not be any better off or any worse off than to-day. Whatever preference Japan has now will not be affected in any regard by this treaty.

Mr. FORKE: Would the minister repeat again, what amount of flour was exported from Canada to Finland?

Mr. ROBB: For the ten months ending January, 1925, the exports of flour were $787,995. For the previous year ending 31st March, 1924, the exports of flour were $1,322,501. That was for twelve months and the other period was for ten months. There is a letter in the file which may interest my hon. friends opposite, from the Goldie Milling Company, urging us to make this arrangement, as they feared the United States millers might possibly come in.

Mr. FORKE: Has the minister an idea by what method Finland pays for that flour?

Mr. ROBB: We have no complaint from the millers that they have not been paid. It was the millers who urged us particularly to see that they were protected against the possible discrimination against them by the United States millers.

Mr. CHAPLIN: Will the minister explain how it comes that Japan will not have any advantage from that treaty, or will not be put in a better position than at present?

Mr. ROBB: Because Japan now has all that we propose to give Finland.

Mr. MEIGHEN: Under what?

Mr. ROBB: Under the French treaty. They are a favoured nation.

Mr. McQUARRIE: I must take exception to the remarks of the hon. member for Assiniboia (Mr. Gould). It seems to me that they were entirely uncalled for. I am very much surprised that a man of his supposed intelligence should rise in this House and make a speech such as he has just favoured the committee with. I think it is without doubt the most narrow-minded speech I have ever listened to in this House, and we have had some of them from his quarter before. Besides being unfair to me, inasmuch as he possibly insinuated that I had some interest in some of these paper concerns, which is entirely untrue and unfounded, he displayed his ignorance of the few remarks which I made. He entirely failed to grasp the significance of the argument I advanced. The point I tried to make was this—and if I had some way of injecting it into his brain cells, I would do so—that it was not at all a matter of the amount of imports of kraft paper we are receiving from Finland at the present time, but what we might be expected to receive if the duty were decreased from 25 to 20½ per cent. I also tried to point out that paper con-

cerns in this country were and have been for some time in a rather bad way. I also endeavoured to point out that in our province, British Columbia, we are interested, not financially and personally, but generally speaking as citizens of this country, in the industries of the country which are manufacturing our natural resources. Now, if we are going to put those concerns out of business by reducing our tariff that would be an injury to Canada as a whole. I happen to represent, in addition to the people who are engaged in industries, about 20,000 farmers. The farmers of British Columbia are also looking for protection. They are complaining now in regard to various of the tariff items. The farmers in British Columbia are certainly in a somewhat different position from the farmers of the prairies. If we are going to have a great country here, if Canada is going to amount to anything, it seems to me that besides protecting the farmer we should also protect the people who are engaged in industry. Those who are engaged in the industries of the country provide to a large extent the market for the farmers, if not on the prairies, at least in British Columbia.

Mr. BAXTER: It may be that I am overlooking something, but there is one point in the treaty that is not clear to me. Article 5 which, I take it, is the central provision of the treaty, reads:

Articles, the produce or manufacture of the territories of one of the contracting parties, imported into the territories of the other, from whatever place arriving, shall not be subjected to other or higher duties or charges than those paid on the like articles, the produce or manufacture of any other foreign country.

I tried to go through this treaty, though hurriedly—this is the first I have seen of it. If there is nothing more than that, it seems to be simply a statement that Finland will not charge more on articles from Great Britain than is charged on similar articles from any other foreign country.

Mr. ROBB: —enjoying that trade concession.

Mr. BAXTER: But what is there to enjoy? Where does the minister get this difference as regards automobiles involving a change from one tariff classification to another? I may have overlooked it in the treaty, but I certainly have not yet been able to find it. I presume that this document dated the 14th December, 1923, the Treaty of Commerce and Navigation between the United Kingdom of Great Britain and Ireland and Finland, that has been passed around, contains everything, and that it is simply under the 23rd article that we are taking action. Article 23 reads:

The stipulations of the present treaty shall not be applicable to India or to any of His Britannic Majesty's self-governing dominions, colonies, possessions or protectorates, unless notice is given by His Britannic Majesty's representative at Helsingfors of the desire of His Britannic Majesty that the said stipulations shall apply to any such territory.

Mr. ROBB: We are now giving the notice.

Mr. BAXTER: Yes. If that notice is not given, apparently Finland can impose against us any rate of duty that she sees fit. If the notice is given, we come in on the same footing as Great Britain. We do not, apparently, come in on a preferential footing, but we get simply the benefit of an agreement that our goods will not be charged more than goods which come from any other foreign country. In other words, we are not getting a preference into Finland, but we are simply receiving an undertaking that we shall not be put on a more unfavourable basis than any other foreign country.

Mr. ROBB: My hon. friend probably was not in when I stated the advantages that we had on some articles and I will not detain the committee by repeating them. I will give my hon. friend an item which I am sure will interest him. He will perceive the advantage that we receive in giving this notice in order to come under the most favoured nation tariff, and I challenge him to vote against this: "Preserved anchovies, sardines and other fish per kilogram"; general tariff 20 markkas; we are getting a tariff of 11 markkas, or about one-half the duty.

Mr. BAXTER: That is not what troubles me. I am not bothering about the fish; it is the net I am looking at just now. I may be at fault in taking up the time of the committee, I may have overlooked something; I am asking the minister to be good enough to point out to me anything in the treaty, a copy of which has been handed to me, which provides for what we call a preference as against the conventional tariff. I do not see anything in it except that we are on the same footing as any other foreign country. I do not want the details, I want just the principle.

Mr. ROBB: We are to enjoy the favoured nation treatment.

Mr. BAXTER: There is something wrong somewhere. In article 5 I can find no reference to any conventional or other form of tariff. This must be the original draft of a treaty that has been revised.

Mr. ROBB: The treaty between France and Finland of the 13th July, 1921 is the basis that Great Britain and Ireland come in on. We propose to come in and receive the same advantages.

Mr. BAXTER: I understand it now after it has been explained, but there is certainly nothing in the documents before the House to give me the slightest intimation of that. I have not, I trust, uttered a word of criticism of this treaty. I have sought only to obtain information. I should like to know from the minister why, what I might call a comparatively minor trade arrangement is brought before the House at this time, and why, what I would characterize as a major trade arrangement with another British dominion, the Commonwealth of Australia, is not yet in any form before the House.

Mr. ROBB: The Australian treaty has nothing to do with this, and if my hon. friend refers to the records, he will find that the Prime Minister explained the matter a few days ago. In that connection, I might say that to-morrow morning when the paper men of Canada read the remarks of some hon. gentlemen opposite they will say: Heaven save us from our friends, because we find these gentlemen object to an agreement whereby a very little paper comes into Canada and we are getting an advantage for other manufacturing industries and agricultural products. How are we going to expect these gentlemen to support them when we come in with an Australian agreement?

Mr. BAXTER: Nothing in my request for information has been in the slightest degree either dictated or suggested by any pulp or paper interest or the interest of any other industry.

Mr. ROBB: It is the gentlemen sitting behind and around my hon. friend.

Mr. BAXTER: Then I will ask the minister to be merciful enough, when he makes a remark of this kind, to make it in juxtaposition of some member he wishes to punish and not apparently to cast the bolt at me. I do not see why we cannot ask for information without having the suggestion thrown out that members of this party are acting on behalf of certain interests in the Dominion. I will go a step further. While I have absolutely no thought of the particular interest to which he has referred, yet I cannot see why any aspersion should be cast upon a member of this party who, thinking that injury is threatened to an industry should rise to defend that industry and ask that it have a proper chance for its life. I am not in that position. But I can understand how a member of parliament may honestly and honourably, and in support of the interests of the country, take such a position as that. I will go a little further, I want to point out to the minister that outside of some minute discussion of automobiles and of a reference to the paper industry, I am not in a position, although perhaps some other hon. members may be, to go back to my constituents and explain the benefits of this treaty. I am not able to point to a single thing to be gained by it.

Mr. ROBB: My hon. friend was not in the House; if he reads Hansard to-morrow he will get the information.

Mr. BAXTER: I have been in the House ever since the discussion commenced.

Mr. ROBB: You have not been following it.

Mr. BAXTER: I have been following it but I have not heard everything that has been said. That has not been the fault of the minister, except perhaps that his voice is not very strong. But I have not yet learned the advantages that are expected to flow from the treaty. It may be that I shall find them stated in Hansard, but I do not think I have missed very much this afternoon.

Mr. LADNER: The remarks of the Acting Minister of Finance (Mr. Robb) bring me to my feet. I have received representations from the Pacific Mills, Limited, and other concerns to place before the House the effect of this legislation so far as their business is concerned.

Mr. ROBB: I do not doubt that.

Mr. LADNER: And I have not heard before that any industry affected by legislation in this country is necessarily subject to some suspicion or condemnation because it has asked the representatives of the people in parliament to place the situation before the body of members who are to legislate on the matter.

Mr. GOULD: Does the hon. member think that when the total import of a particular line into this country amounts to $2,777 it should occasion any question in the minds of large business concerns here?

Mr. LADNER: Apparently the hon. member does not distinguish between the actual situation here and the principle that is involved. The principle is one of protecting industries that are indigenous to the country, and this legislation is contrary to that prin-

ciple. Whenever an hon. member in this part of the House rises to discuss the tariff from the protective point of view there is a regular outburst of objections from hon. gentlemen to my left simply because they favour the opposite. So far as placing the representations of different interests before the House is concerned, I do not know of any members who are more disposed to take advantage of every opportunity than many hon. gentlemen to my left. When it comes to holding the big stick over the government to force them into the pursuit of wrong, reckless and foolish policies, such as restoring the Crowsnest pass rates, they are all for it; there is no principle involved there but they know they will get a cheaper rate. But when we in British Columbia, seeking to develop our natural resources, raise our standard consistent with our policy of protecting all industries, no matter how big or how small, then that issue is something to be condemned, we are to be told that it is foolish, and that we should not engage in any such discussion. Now, surely there ought to be a bit of tolerance and mutual consideration of one another's interests without anyone becoming over-critical. The fact is that most hon. members in this House live in glass houses so far as some phases of their political and economic interests are concerned.

Mr. HOEY: I have the Finland tariff schedules before me and it will be a source of comfort to my friends to the right to realize that there is a heavy export imposed by Finland on all paper leaving that country.

Mr. SUTHERLAND: I notice among the articles of our exports to Finland that there is an item of some $67,000 in lard.

Mr. ROBB: I did not give any such figure; our exports of lard for ten months amounted to $4,984, and it was about double the imports of kraft paper.

Mr. MEIGHEN: What is the duty on lard into Finland?

Mr. ROBB: The duty is .60 markkas per kilo.

Mr. MEIGHEN: There is no difference?

Mr. ROBB: No.

Mr. SUTHERLAND: I asked the question because we import about ten million pounds of lard annually from the United States.

Mr. MEIGHEN: The minister said it was only finished imports that count. Apparently, so far as our exports go, we are not affected at all except as to automobiles.

Mr. ROBB: I did not say that.

[Mr. Ladner.]

Mr. MEIGHEN: Well, that is the summation of it.

Mr. ROBB: I gave the hon. gentleman (Mr. Baxter) evidence to show that there had been a gain in fish; the duty is reduced from 20 markkas to 11 markkas.

Mr. MEIGHEN: What fish do we sell to Finland?

Mr. ROBB: It can be sold if we get the preference.

Mr. MEIGHEN: I suppose we could sell Nova Scotia coal to Newcastle as far as that is concerned, if anyone would buy it.

Mr. ROBB: I have no record with regard to our sales of fish.

Mr. MEIGHEN: No, nor do I think there would be any record of fish sold to Finland. Similarly, we are not likely to sell cotton to Florida. The fact is that the only real benefit we get is on six automibiles we sold last year.

Mr. ROBB: I would not allow my right hon. friend to say that.

Mr. MEIGHEN: We are not getting anything out of the treaty that I can see, nor do I know that we are giving anything serious. It would not seem so on the surface. But is the minister certain that there are not favoured nations coming in under the treaty besides Finland? If he looks at the French treaty he will find that item 197, paper n.o.p., comes under schedule (e), which schedule is the list of those goods that get 10 per cent of the duty off the intermediate tariff. What is our intermediate tariff on paper?

Mr. ROBB: It is 22½ per cent. Take 10 per cent off that and you will get the proper figure.

Mr. MEIGHEN: Yes. That means that France already got the benefit under the French treaty, under which the favoured nations also came in. And this only serves to emphasize what we gave under that French treaty and the fact that we got nothing in return. After the French treaty I am always critical of treaties made by this government. If ever there was a gold brick put over in this country it was that French treaty.

Mr. JACOBS: We got cheaper champagne.

Mr. MEIGHEN: I do not know if it is better or cheaper; maybe the member for Halifax knows.

Mr. FINN: No; when I take anything it isn't that brand.

Mr. MEIGHEN: Will the minister explain why this treaty comes in its present form? Why is it not introduced in the same way as the treaty of last session?

Mr. ROBB: It is practically the same. We had an agreement.

Mr. MEIGHEN: Yes, but there is no agreement referred to here. The minister is adopting a different plan; if there was an agreement last session there is none here.

Mr. ROBB: This is exactly the same as the one last year, with the difference that last year there were certain figures submitted, which the hon. member (Mr. Baxter) quoted a moment ago. A copy of the British treaty was distributed for the information of members. My right hon. friend I think has it now.

Mr. MEIGHEN: This year there is no agreement at all?

Mr. ROBB: It is exactly the same arrangement as was put through last year.

Mr. MEIGHEN: Is there any written agreement now between us and Finland?

Mr. ROBB: No.

Mr. MEIGHEN: There was not last year?

Mr. ROBB: No.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 128 respecting trade between Canada and Finland.

Mr. MEIGHEN: At this point, Mr. Speaker, may I ask the minister if he has received special written representations against this trade arrangement; and, if so, from whom?

Mr. ROBB: Speaking only from memory, I have received representations verbally and, I imagine, some by letter from the manufacturers of kraft paper. I do not recall any other objections.

Motion agreed to and bill read the first time.

Mr. MEIGHEN: At this stage may I ask that the minister lay on the table of the House or send us copies—the former would be better for all members—any representations he has received of the character I have just inquired about? I think there must be something more than what he has mentioned.

Mr. ROBB: Any letters we have I will produce.

CANADA-NETHERLANDS CONVENTION OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

That, it is expedient to bring in a measure to provide that a certain convention of commerce dated the eleventh day of July, 1924, entered into at Ottawa by the plenipotentiaries appointed by His Majesty and by Her Majesty the Queen of the Netherlands be approved, and to give effect to the provisions of the said convention.

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

Mr. MEIGHEN: I suppose the minister has arranged to get low duties on our butter going into the Netherlands? What is really effected by this treaty?

Mr. ROBB: Mr. Chairman, we get the favoured nation treatment in their market. A convention of commerce between Canada and the Netherlands was signed in Ottawa on July 11, 1924. This convention includes the Netherlands, the Netherlands Indies, Surinam and Curaçao. The population of the Netherlands and their possessions is 51,780,000.

Mr. MEIGHEN: What!

Mr. ROBB: That includes their colonial possessions. The population of the Netherlands proper is 6,977,230.

Mr. MEIGHEN: Where are the rest?

Mr. ROBB: Java and Madura, 35,017,200; the island of Celebes, 1,200,000; Sumatra, 5,858,800; Borneo, 2,000,000; Molucca Islands, 560,000; Dutch West Indies, 53,700; Dutch Guiana, 113,181. The customs tariff is very low, there being no treaty or convention rates lower than the general tariff, but according to Dutch parliamentary papers it is considered desirable to introduce a system whereby it will be possible to discriminate in certain cases. In a word, measures of tariff retaliation are being studied, and the matter will eventually be dealt with in a bill which they are now considering. My right hon. friend knows that throughout the world to-day there is a tendency to put up tariffs, indeed he advocates it for Canada. At any rate, that is the spirit throughout the world, and we are making this convention now so we will have the most favoured nation treatment in our commercial relations with that large population.

Our principal imports from the Netherlands are cocoa butter, gin, plants, bulbs, shrubs, nursery stock, tobacco, starch, pickled herrings, artificial silk, binder twine, railway bars, electric lamps, diamonds (unset), aniline dyes,

litharge, zinc white, glycerine for explosives, toys. On most of these items there is practically no difference between our general tariff rates and the convention rates. Our principal exports to the Netherlands are wheat, wheat flour, oats, rye oil cake, condensed milk, lard, electric vacuum cleaners, automobiles, nickel and asbestos. The value of our imports for the year ending March 31, 1924, was $5,359,980, and for the eleven months ending February 1925, $4,630,010. Hon. gentlemen will observe that there is very little variation in our imports, there having been practically no increase as between those two periods. Turning to exports, we exported to the Netherlands for the year ending March 31, 1924, goods to the value of $9,480,881.

Mr. BROWN: Does that mean to the colonies as well?

Mr. ROBB: No, only to the Netherlands proper. During the same period our imports were just a little over five million dollars. For the eleven months ending February 1925, our exports increased to the value of $11,880,-135. Hon. gentlemen will observe that while our imports have varied very little, our exports have increased considerably during the past year. It is just possible that a part of that increase might be accounted for by the increased value of the goods we sold.

There is considerable trade between Canada and the Dutch possessions, especially with the Dutch East Indies. Our imports from their possessions were valued at $2,941,189.

Mr. MEIGHEN: Those are not included in the former figures?

Mr. ROBB: No. These imports were practically all sugar, coffee and tea. The treaty rates are the same as the general rates. During that same period our principal exports to the Dutch possessions were rubber tires, canned salmon and automobiles, the total value of which was $1,350,067. It will be seen that we bought from the Dutch possessions more than we sold to them, but to the Netherlands proper we sold double the value of our purchases from them. It is also provided under this arrangement that goods from this country destined to Europe and passing through ports in the Netherlands en route will be exempted from any duty which might otherwise be charged.

Mr. HOEY: What are the chief exports from Canada to the Netherlands?

[Mr. Robb.]

Mr. ROBB: I will give some of the items, in round figures, for the ten months period ending January, 1925:

Apples, green or ripe and dried	$ 60,000
Barley	195,000
Buckwheat	373,000
Oats	1,371,000
Rye	1,008,000
Wheat	5,095,000
Oatmeal and rolled oats	33,000
Flour of wheat	1,168,000
Vegetable food products, not otherwise provided	144,000
Pneumatic tire casings	84,000
Inner tubes for tires of vehicles	15,000
Fodders, not otherwise provided	12,000
Lobsters and canned salmon	100,000
Hides and skins	22,000
Butter	4,000
Cheese	23,000
Milk, condensed, canned or preserved, not otherwise provided	477,000
Lard	278,000
Honey	26,000
Machinery, electrical vacuum cleaners and parts thereof	55,000
Automobiles, value $500 to $1,000	57,000
Automobiles, value over $1,000	22,000
Aluminum	33,000
Lead	34,000
Nickel, fine, in ore	268,000
Asbestos	95,000
Soap	16,000

A total export of $11,426,000 in that period.

Mr. HOEY: A great many of these things enter the Netherlands free. I cannot see any duty on butter.

Mr. ROBB: It is a low tariff country. I may say that while the export of butter during the period referred to was not very considerable—about $3,000—there were no imports of butter from that country. Moreover, we will have the advantage of our trade going to other countries in Europe through the ports of the Netherlands without duty or other restrictions. The United States have a favoured nation arrangement with the Netherlands and we want to get the same advantage in that respect. Another reason why we have been urged to negotiate this treaty is put forward by the manufacturers of Canada who use rubber. There is a possibility of the Dutch possessions placing an embargo on the export of rubber and we hope it will not be placed as against countries that come under this favoured nation arrangement.

Mr. CHAPLIN: Does the minister suggest that goods shipped to continental Europe through Holland, say to Switzerland, would be subject to a duty?

Mr. ROBB: They have the right to impose a duty on goods in transit.

Mr. CHAPLIN: The minister must know that so far as Germany is concerned they do not have to tranship goods. They have their own ports.

Mr. ROBB: The agreement provides for that.

Mr. CHAPLIN: It does not cut any figure.

Mr. MacLAREN: Is the provision in this treaty similar to that of the Finland treaty, that goods affected by it are required to come into Canada through Canadian ports?

Mr. ROBB: That is the law under the favoured nation provision; they must come in through Canadian ports.

Mr. JACOBS: What is the value of the tobacco imported from the Dutch possessions?

Mr. ROBB: For the ten months ended January, 1925, tobacco unmanufactured, 10,627 pounds, at a value of $27,335. I imagine my hon. friend would have to pay more than that for it if he were buying it in cigars.

Mr. MEIGHEN: As in the case of the Finnish matter the minister is asked whether it is provided that under this arrangement goods must be shipped direct through our ports. The minister answers that that is the law under our favoured nation arrangement. I cannot see how that affects the matter at all.

Mr. ROBB: All we are giving them is the benefit of the favoured nation provisions.

Mr. MEIGHEN: Yes, but we cannot impose any restriction unless it is in our contract with them. If it is in our contract with Japan or some other favoured nation, that cannot affect the Netherlands or Finland. The minister's answer so far is wrong. There may be some provision under which these goods must come in through our ports, but those with whom we are now negotiating are not affected by a treaty we have with someone else.

Mr. ROBB: The officer advises me it is exactly the same as in the case of our treaties with Belgium and Italy. They get no privileges under those treaties unless the goods come in through Canadian ports.

Mr. MEIGHEN: Yes, but we have treaties with Belgium and Italy which provide that the goods must come in through our ports; then they get the benefit of certain rates. But here we are making a treaty, we will say, with the Netherlands. We say to them: You do so and so, and we will give you the rates—we do not say we will impose all the conditions but we will give you the rates—we give to France by our treaty. Now we cannot afterwards impose restrictions on the plea that we imposed those restrictions on France. That is not in the bond.

Mr. ROBB: I have the assurance both of the officer by my side and of the customs officials after consultation with them, that the Netherlands will not be entitled to these concessions unless the goods come in through Canadian ports. I think my hon. friend must take the word of the officers administering the act.

Mr. MEIGHEN: I would rather take the word of the law itself. I want the authority. There is nothing here to show it.

Mr. ROBB: That is provided in our favoured nation treaty.

Mr. MEIGHEN: That is probably what the officers rely on, but what is provided there does not affect the Netherlands at all. The Netherlands are bound by their arrangement with us, that is all they are bound by; and according to this resolution we agree to give them certain duties as low as we give any foreign country, our favoured nation duties. Now we have to do that if it is in the bond; we cannot impose any restriction afterwards even though the restriction applies to other favoured nations, because we did not stipulate to impose it. In the face of that reasoning, I certainly would like something better than the mere say-so of anybody.

Mr. ROBB: My hon. friend will surely be guided by the experience of those who have been administering the treaties that have been in force now for a few years, and I am informed that that is the way it is applied.

Mr. MEIGHEN: Those are treaties; this is not a treaty at all.

Mr. ROBB: We are dealing with a country that has as great a population as Canada, good customers; why should my hon. friend not make to them the concession that they give to us? They have certain restrictions in their tariff, but they do not dot every "i" and cross every "t" in the agreement.

Mr. MacLAREN: It is specifically mentioned in the treaty with France.

Mr. ROBB: That is all these people are getting.

Mr. MacLAREN: Why was it specifically mentioned in the French treaty?

Mr. ROBB: The French treaty was the basis we started on. All these others come in on that basis.

Mr. MEIGHEN: They do not, I do not care what anybody says, unless he can show me the bond. We make a French treaty and we say to France: You give us certain rates, and we will give you certain rates, and your goods must come in through our ports. That is the treaty with France. But here we are passing legislation in favour of certain duties with respect to the Netherlands on condition that she passes some in favour of us, and it does not matter a whit what is in the French treaty unless we stipulate that the Netherlands can only get in here at the French rate of duty and subject to the French restrictions. But we have not done it.

Mr. GRAHAM: Would this have any bearing on it?—the French treaty is made the basis; this treaty gives the favoured nation treatment, and that covers the treatment that France gets.

Mr. MEIGHEN: It is a rough-and-ready method of reasoning.

Mr. GRAHAM: It is really the way the act is administered, I understand.

Mr. MEIGHEN: You cannot impose a restriction in the treaty that is not there. We stipulated with France that the goods shall come in through our ports, and it will not do for us to say casually and calmly to the Netherlands: That is the basis. The Netherlands are not interested in that fact. They say: Here is what you have agreed to legislate:

That it is expedient to bring in a measure to provide that a certain convention of commerce dated the eleventh day of July, 1924, entered into at Ottawa by the plenipotentiaries appointed by His Majesty and by Her Majesty the Queen of the Netherlands, be approved.

Now if we approve that, we are bound by every term of it, and we cannot import any other restriction on the mere plea that it is in the French treaty. This is a convention; it differs from the Finnish agreement in that way. It may be that the minister has a clause in the actual convention, although it is not embodied in this resolution, which imports the restrictions of the French treaty into this convention, but if he has not, he is down and out; he has to give to the Netherlands free admission through any port of any country.

Mr. MacLAREN: Is it stated so in the act?

[Mr. MacLaren.]

Mr. ROBB: I would direct my hon. friend's attention to the treaty of 1913 with Japan. There was no reference there to coming in through Canadian ports, but those goods from Japan must come through Canadian ports to get the advantage of the treaty. My hon. friend would not blame this government or the friends of this government for putting through the treaty of 1913 with Japan.

Mr. MEIGHEN: If it is not in the treaty with Japan, certainly Japan could, if it would be any convenience to her, enter her goods through any other ports.

Mr. ROBB: The customs people would not recognize that, and they will not in this case.

Mr. MEIGHEN: You would find out if Japan raised the point.

Mr. MacLAREN: I think we should have this point elucidated a little more, because it is very important.

Mr. ROBB: If it is going to clear things up, and hon. gentlemen insist upon it, we will refer it to the Justice department; and, if after looking into it they are not satisfied that it is absolutely clear that the advantages will be given only to goods coming through Canadian ports, we will make it clear in the bill.

Mr. MacLAREN: I must confess I have very serious doubts as it stands that that condition is imposed. It may be rather late to refer to the agreement with Finland, but I put the same question to the minister when that treaty was before the committee, and, if it is possible, I hope the minister will give us a similar undertaking in regard to the treaty with Finland.

Mr. ROBB: In the case of Finland it will not be necessary, because we are taking as a basis the treaty that was arranged by the United Kingdom, and the basis of that is the French treaty, and under the French treaty that condition is imposed.

Mr. MacLAREN: It would certainly be a very easy matter to insert the condition. It would make the point abundantly clear and beyond discussion.

Mr. ROBB: Finland might not accept that as a proper basis.

Mr. MacLAREN: I understand that that condition applies, so what harm would there be in inserting it?

Mr. ROBB: It is not in the Japanese treaty at all, but apparently it is in the regulations issued by the Customs department under date of May 1, 1913; and my right hon. friend the

leader of the opposition, if he was not then a member of the government, was certainly a very ardent, and the strongest and best supporter they had at that time.

Mr. MEIGHEN: I thank my hon. friend for the compliment, for that really is a compliment more than most members of this House realize. But at present we are discussing this treaty.

Mr. JACOBS: A compliment in what respect?

Mr. MEIGHEN: To have been the best supporter of the last government is a title to immortality.

Mr. GRAHAM: Faithful to the last!

Mr. MEIGHEN: The regulation of the Customs department is a good regulation; there is no doubt about that, but we cannot by regulation modify the terms of an express agreement. That is the point I am trying to raise. I am ready to accept the minister's undertaking so far as I am concerned—and, I think, for my friends behind me—that he will refer this Netherlands agreement to the Justice department, and unless the Justice department is satisfied that without any question the condition applies that the goods must come through our ports to get the benefit of the treaty, the minister undertakes to insert a clause in the treaty. I think that is satisfactory. But as respects the Finland treaty we will have to hold the government responsible in the face of very, very serious warning that no regulation, no clause of the French treaty or any other treaty will enable the minister to impose this restriction on Finland if we legislate merely in the terms of this resolution in return for their similarly legislating. Warning is given. There are several other features I wish to discuss, in relation to the treaty, but I do not wish to pass from that point.

5 p.m.

Mr. ROBB: This government will not be assuming any greater responsibility than the government my right hon. friend supported assumed in 1913, when they made the Japanese treaty.

Mr. MacLAREN: That is not a very practical argument—whether this government or the late government have failed or otherwise. My point is in the interests of the country, not what the past government has done or what the present government seems to be seeking credit for—

Mr. ROBB: Give us credit for what we have done already with regard to Canadian ports.

Mr. MacLAREN: My remarks apply to the conditions in these treaties. I would ask that the minister make it quite clear that it does apply in the case of Finland. We have already had the satisfactory assurance with reference to the Netherlands, but I asked the question in the last hour with regard to Finland and I received the reply that that would be in force. Now apparently there is considerable doubt thrown on that.

Mr. ROBB: I do not think there is much doubt about Finland.

Mr. MacLAREN: I submit the including of one phrase that it should apply directly to Canadian ports would remove all doubt. Can the minister give us any assurance on this point?

Mr. ROBB: I will give the assurance that I will have the Justice department look very carefully into it, and I will be glad to discuss it with my hon. friend if he drops into my office.

Mr. MacLAREN: I would rather discuss it in the House.

Mr. ROBB: Well, I will not press it now.

Mr. EVANS: I would ask the minister if the memorandum, appendix No. 17, page 169 of the Customs Tariff, does not apply to that? It is dated March 17, 1924.

Mr. ROBB: Would the hon. member read it?

Mr. EVANS: It reads:

By order in council dated 12th March, 1924 (P.C. No. 409), printed herewith, published in the Canada Gazette of that date, the benefit of the intermediate tariff is extended to products originating in and coming from the territory of the Netherlands, Netherlands East Indies, Netherlands Guiana and Netherlands West Indies, when imported and conveyed without transhipment from a port to the Netherlands, Netherlands East Indies, Netherlands Guiana and Netherlands West Indies, or from a port of a country enjoying the benefit of the preferential or intermediate tariff into a sea or river port of Canada.

Mr. SUTHERLAND: I notice that our exports to the Netherlands are less than one-half of what they were in 1921. In 1921 they were over $20,000,000, and now they are less than $9,500,000. Can the minister explain the falling off of the exports?

Mr. ROBB: I think that would be quite clear to any person after a moment's thought. From 1914 to 1918, and pretty well up to 1919, all that country was made bare of products by the war, and the friendly countries

closer to the war were almost as bare as the countries actually in the war, and I suppose the additional supplies were to fill up the trade and the shortage during that period.

Mr. SUTHERLAND: During that year there was an export of nearly half a million tons of condensed milk to that country. Is that trade increasing? Or how has it progressed?

Mr. ROBB: The exports to the Netherlands were as follows:

1922	$ 50,000
1923	426,000
1924	602,000

Mr. JACOBS: In reference to the importation of diamonds and other precious gems, in what way will the duties be affected?

Mr. ROBB: Uncut diamonds are free.

Mr. MEIGHEN: Much to the disgust of the minister.

Mr. ROBB: Oh, no.

Mr. MEIGHEN: I remember when we had to take terrible abuse from his friends because diamonds were free.

Mr. FORKE: I was going to ask for an explanation why that was so.

Mr. ROBB: There is a very simple explanation. There was a time when the country had a duty on diamonds, but it was found impossible to collect the duty. One reason was that it was very easy to smuggle diamonds. It was felt by the government at the time that it would be better business for Canada to admit uncut diamonds free, and build up a business, giving employment to citizens and manufacturers of Canada, because the duty we could collect on them would not be very much, on account of the ease with which they are smuggled.

Mr. FORKE: Smuggling would be a factor.

Mr. ROBB: I recall that in a recent by-election I did criticize the candidate of my right hon. friend because he was attacking this government for having made reductions in the duty on agricultural implements. I remember giving an interview and saying that I did not quite understand why that gentleman found any fault with the reduction of the duty on agricultural implements, when he himself was enjoying the privilege of importing uncut diamonds without paying duty.

Mr. MEIGHEN: I must congratulate the government on the ready acquiescence with which my hon. friends to my left accept the explanation.

[Mr. Robb.]

Mr. FORKE: It may be our simplicity.

Mr. MEIGHEN: Their simplicity varies very greatly according to the colour of the government in power.

Mr. FORKE: That is not fair.

Mr. MEIGHEN: The explanation the minister gave was given last parliament and every parliament and every budget. But notwithstanding, the hon. member for Marquette (Mr. Crerar) rose in his wrath and denounced this business of letting diamonds in free and imposing a duty on foodstuffs.

Mr. GRAHAM: That was not when he was in the government.

Mr. MEIGHEN: No, that was after he got out. But hon. gentlemen thought that was a good demagogic appeal to the people, and they sputtered it up and down the side lines. I do not want to refer to individuals, but certainly those who were in the House at the time representing the Progressive party—

Mr. FORKE: I did not.

Mr. MEIGHEN: I know that, and I am not sure if my hon. friend would have even if he had been here. I think he is a little more honest than that.

Mr. FORKE: Thanks.

Mr. MEIGHEN: But I do remember, notwithstanding the explanation given over and over again, just as sound and irrefutable as anything ever was, there was contained in party literature which I had to meet myself right out on the western plains, this same humbug that we should have a duty on diamonds in order to catch the rich. It was simply all a part of the whole villainous campaign in which hon. gentlemen to my left joined with the present Acting Minister of Finance and others who now calmly and in very dignified tones give the same explanation which they ridiculed just a few years ago. Certainly we cannot have a duty on diamonds. Such a thing is absurd; it has proved absurd in practice, and if and when, as is most certain, a change of government takes place, I know there will be some hon. gentlemen of that party to my left who will return to the old war cry and paint us the allies of the rich and powerful and the enemies of the masses and the poor because we have not a duty on diamonds. Enough, however, as to that.

I should like really to know what we are going to get out of this treaty. Nobody knows it. We have been told how many

people there are in the Netherlands and how many blacks there are in Borneo, Sumatra, Java and so forth. We have also been given a list of our imports from those countries. To the extent that we give a reduction on these actual imports, of course we give a concession to those countries. The minister has read us a list of exports, but he has not told us that on a single export we get a different treatment from what we got before. The hon. member for Springfield (Mr. Hoey) informed the minister that the large items go into the Netherlands free now. We cannot get anything on that. What do we get anything on? The minister says: Well, if we do not have this treaty, the Netherlands would have power to impose duties on our goods destined for a foreign country but calling at a Netherlands port. What nation in its senses would ever do that? We could do it in Canada. I suppose, if we chose to be so foolish, we could could collect our duties upon imports from Germany, intended for the United States, but in vessels calling at Halifax to discharge other goods for Canada and then going on. We could collect the duties if we were mad enough to do so and thereby destroy our own ports. That seems to be a purely fanciful consideration. The Netherlands are not going to do it, and I never heard of a country doing it. That is the only suggestion we get. Will the minister tell us one single article we export, on which we get a reduced duty into the Netherlands, the amount of the export, and how much the reduction is?

Mr. ROBB: I never said to my right hon. friend that we were getting any concessions in duties. I said very frankly that there was a low duty and there was no preference. There is, as I have already pointed out, a sentiment there that they should amend their tariff, and we want to get in on the favoured nation treatment so that we shall be clear. There is also, I repeat again, a possibility that they have now under consideration imposing a duty on Canadian goods in transit through their ports to other countries. There is, as is represented to us by manufacturers of crude rubber, a possibility of their imposing an embargo or export duty on rubber and we wish to evade that.

Mr. MEIGHEN: This treaty will never stop that.

Mr. ROBB: As to the concessions that we are getting from the Netherlands on the goods that we export to that country, if they are not giving us much, they are not receiving much from us on the basis of existing business.

Mr. MEIGHEN: The minister admits that we are not getting any reductions in duty at all. That is a rather interesting piece of information. But, he says, if we put this through, the Netherlands cannot impose their duties on our goods in vessels going to their ports but destined elsewhere. I cannot imagine how a country would do that. If a country were to legislate that its ports should be closed up and worthless, that would be just the same thing. Why in the world would a country legislate to say to other countries: Do not ship through our ports, do not use our territory? Surely no country in the world, even in this age, is as mad as that. So we are getting nothing there. The minister says: But the Netherlands are talking about raising their tariff; that spirit is abroad in the world, and in order that we may not suffer any more than another country would suffer, we are ready to give them concessions on our tariff already low. That is exactly what the minister is doing this for. There is the whole thing in a nutshell. What is this reduced to? Here we sit with a low tariff, a tariff that this party opposite and the party to my left declared they were going to slash down, down, down, year after year. They have been afraid to do so, but they have made certain instalments along that line. We are compelled with that low tariff to give concessions to-day, to-morrow, the next day, to South America, Europe, France, Italy, Japan and all the rest here, there and everywhere.

Mr. ROBB: My right hon. friend gave the concession to Japan.

Mr. MEIGHEN: No. Japan got the concession before. We renewed it to Japan, but we renewed it under world conditions very different from those of to-day, when the tariffs of the world were about one-half and many of them one-quarter or one-tenth what they are now. Here we are with an already low tariff spreading concessions throughout the world in order to protect ourselves against being further penalized at the hands of other countries. That is the condition we are in and are suffering from now, and it is all the consequence of the policy of hon. gentlemen opposite. Why should we have to be giving concessions? I would have a tariff we could give some concessions from without suffering. I would be in the same position as they are. Other countries are virtually getting something for nothing from us and this country is getting nothing for something. We have to give something for nothing to the Netherlands just because of the policy of this government. Why is it that we are not in their position?

Mr. ROBB: With a lower tariff.

Mr. MEIGHEN: No. They have a government in office that sees the state of the world and is prepared to adjust its position accordingly. It is going to raise its tariff. That government knows well that we have a government committed to my hon. friends to my left to lower the tariff, who can dictate to it what it is going to do and it does it.

Mr. SUTHERLAND: What proportion of the imports from the Netherlands during the past year came in free of duty?

Mr. ROBB: I do not have that. I can get it for my hon. friend.

Mr. MEIGHEN: We have not yet any list of reductions on articles coming in. We have the admission that there is no reduction on anything we sell. Just let us know how much we are giving as an insurance fund against the adoption of a protective policy by the Netherlands. This is simply a contribution to the Netherlands by way of insurance that we shall not be any worse off than we are now. We are only paying them so much and we want to know what it is, to be sure that we shall not be any worse off than some other countries. What are the imports from the Netherlands upon which we are reducing the duty, all for nothing?

Mr. ROBB: I can get that information only on the basis of the previous year's business.

Mr. MEIGHEN: That is good enough.

Mr. ROBB: I will have it looked up and I shall be glad to give it to my hon. friend when we are in committee on the bill.

Mr. MEIGHEN: But surely this is the place to get that information.

Mr. ROBB: I have not got it now.

Mr. MEIGHEN: How do I know whether or not it is expedient to adopt this measure? It would be far more expedient to get the government out that got us into this position. I might move a resolution to that effect.

Mr. GRAHAM: That would be pleasing but not expedient.

Mr. MEIGHEN: It would not be expedient for the Minister of Railways (Mr. Graham), but I am thinking of the country at present. Surely the minister does not ask us to pass a resolution that it is expedient to reduce the duties on a whole line of articles without even telling us what the reductions will be.

[Mr. Meighen.]

Mr. ROBB: I have quoted two or three times over a list of the large importations coming from these countries. My right hon. friend has been in parliament as long as I have; we came here on the same day. He has before him the customs tariff and he must know what the intermediate rate is.

Mr. MEIGHEN: But I have not got it.

Mr. ROBB: Neither have I.

Mr. MEIGHEN: I have not the list of the articles the minister read. Can the minister not take them one by one, giving us the larger items, so that we may see what the reductions are going to be? Are we making any reduction in gin, for example? Are we making gin cheaper for the masses of our people? Are we making any reduction in tobacco or in butter? Surely this is the place to be informed of all these things?

Mr. ROBB: There are no imports of butter; we export that article.

Mr. MEIGHEN: But still we might be making a reduction on it.

Mr. ROBB: That would not hurt the men in the cities.

Mr. MEIGHEN: No, but I fancy you would hear a howl even from some hon. gentlemen to my left, at least from the wiser of them. Why does not the minister let us know what reductions we are making? We cannot be asked to pass a resolution that it is expedient to do something and wait to be told afterwards what we are doing.

Mr. ROBB: If my right hon. friend desires to prolong the discussion I am ready to read the whole tariff. I would just as soon pass my time reading the tariff as anything else.

Mr. MEIGHEN: I want the tariff as it affects this treaty.

Mr. ROBB: I will give the importations for the ten months ending January 31, 1925, together with the rates. The first item is "fruits in air-tight cans," on which the rate is 2½ cents per pound. There is a reduction of half a cent.

Mr. MEIGHEN: Quite a concession.

Mr. ROBB: That would be some advantage to my right hon. friend, who possibly buys fruit in air-tight cans occasionally.

Mr. MEIGHEN: I would rather see the country grow, and eat our own fruit.

Mr. CHAPLIN: I would sooner eat fruit from the Niagara district.

Mr. GRAHAM: You do not get them canned there.

Mr. CHAPLIN: Yes, there are seventeen canning factories in my own county.

Mr. ROBB: Of vegetables, peas and so on, the importations amounted to $12,000. The proposed rate is one cent per pound as against one and a half.

Mr. MEIGHEN: What other articles are there?

Mr. ROBB: There was an importation of rice amounting to $44,000 and the rates are 65 cents per 100 pounds as against 75 cents

Mr. MEIGHEN: Is rice dutiable?

Mr. ROBB: This is cleaned rice. Of cocoa butter, a large item, the total was $391,000. The rates are 2 cents and 2 cents.

Mr. MEIGHEN: No reduction.

Mr. ROBB: No. Aromatic and caraway seeds amounted to $12,000 and they are free in both lists. The same tariff rate as before will apply to ground spices, which is a small item. My right hon. friend asked me a moment ago about gin. That is a large item amounting to $563,000 and the rate is $10 per gallon. There is no concession on that. Of shrubs, trees, plants, vines and rose bushes the total is $21,000 and there is a reduction from 20 per cent to 15 per cent. Azaleas and seed stock which is a large item, amounts to $404,000 and is free in both cases. Is there any other item my hon. friend would like to know about?

Mr. MEIGHEN: The larger ones.

Mr. ROBB: I see an item of flax, hemp, jute, jute cloth and canvas taken from the mill, not coloured, amounting to $12,000. It is free in both cases. On silk and its products the rate is 32½ per cent less 10 off.

Mr. CHAPLIN: What is the importation?

Mr. ROBB: Twenty-nine thousand dollars; hon. gentlemen will understand that I am leaving out the hundreds. On velvets the rate is the same. On fibres, artificial silk yarns, and so on, amounting to $120,000, the regular duty is 20 per cent and this is reduced to 17½ per cent.

Mr. MEIGHEN: What about glass?

Mr. ROBB: Glass comes largely from Belgium; I do not know that there is any quantity of it coming under this arrangement. There is no difference however in the duties. Has my hon. friend any other item in mind?

Mr. MEIGHEN: If the minister says that these are all the important items the information is worth while.

Mr. ROBB: I do not say that; there is a long list.

Mr. MEIGHEN: This simply means that we are making reductions without obtaining any concessions; it is more hacking at the tariff.

Mr. ROBB: If my hon. friend will mention any item I will quote it.

Mr. SUTHERLAND: How is the trade in condensed milk affected? There has been a large increase in this in the last few years.

Mr. ROBB: Condensed milk goes there, it is not coming here. My right hon. friend is asking for the duties on goods coming into Canada.

Mr. MEIGHEN: Will the minister prepare and lay on the table before we come to the second reading, a list of the actual importations affected, that is to say, those in regard to which there will be a reduction in the duty? He can prepare the information on the basis of the last year ending March 31.

Mr. ROBB: My right hon. friend means on the second reading of the bill, I suppose?

Mr. MEIGHEN: Yes.

Mr. ROBB: I will have that prepared.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 129, respecting a certain trade convention between His Majesty and the Queen of the Netherlands.

Motion agreed to and bill read the first time.

CUSTOMS TARIFF 1907 AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved that Bill No. 118 to amend the Customs Tariff 1907, be read the second time.

Mr. JOHN EVANS (Saskatoon): Mr. Speaker, I desire to move the following amendment:

That all the words after the word "that" be struck out and the following be substituted therefor:—

The House regrets that the budget presented by the Acting Minister of Finance contains evidence of the

application of unsound principles of public finance, affords no relief from the excessive burdens of indirect taxation and constitutes a failure to carry into effect substantial economies in public expenditure and the fiscal policy of the Liberal party as from time to time enunciated;

And that the policy of protection maintained in the present budget has greatly increased the cost of living and production has failed to provide adequate revenues or to prevent serious depression in trade and industry;

And be it further resolved that a revision of the tariff schedules, based on the needs for revenue instead of on the principle of protection is long overdue and should be immediately undertaken in order to bring down the costs of living and to place our industries on a permanently sound basis.

Mr. SPEAKER: The question is on the amendment. Is it the pleasure of the House—

Mr. A. J. LEWIS (Swift Current): Mr. Speaker, I can hardly let this matter come to a vote without stating my position. I understood it had been decided that the amendment should not be moved officially by this group. However, it is now before the House, and some of us in this quarter are placed in a rather awkward position. When the budget was first brought down it was agreed among ourselves that we should move the subamendment, which was in identically the same words as the amendment now before us. The Speaker disallowed the subamendment. His ruling was appealed and I voted against the ruling and in favour of allowing the subamendment. There were then two things before us—the budget and the Conservative amendment. At the time I asked the government some questions respecting certain legislation which I considered was, for this session, just as important to the western people as tariff reductions. Those questions were answered largely in the affirmative, and as a result, not because I agreed altogether with the government policy on the tariff question, but in order to give them an opportunity to bring down legislation of the character I have referred to, I supported them with my vote. Now once again I am called upon—

Mr. MEIGHEN: Will the hon. member permit a question? Has he any objection to giving the House what it was he asked from the government and what concessions he received?

Mr. LEWIS: It was not a matter of concessions at all. I simply said that if the government would outline their policy in regard to the Grain Act and other things, I was not here with the intention of voting in any particular way in order to get votes; but that I believed the interests of Canada were far greater than any question of whether or not people voted for me. For that reason I supported the budget proposals. At present I am called upon to make a choice between two things, with respect to both of which I have voted affirmatively; and that, of course, makes it very difficult. I might say that the budget passed the House and when it was discussed seriatim a few days ago no one raised any objection to it; that is, there was no vote against it. I cannot vote against the principles expressed in the amendment, and I am not going to swallow myself with respect to the budget. Accordingly, when the vote is taken on this amendment I intend to leave the House and let the responsibility remain as between myself and my people.

Mr. SPEAKER: As the hon. member who has just been speaking (Mr. Lewis) referred to the present amendment having been already before the House as a second amendment to the budget, I wish to state that it was not put by the Chair. It is quite true that I ruled at that time that that amendment could not be moved, because on the motion that the Speaker leave the chair for the House to go into committee of Ways and Means on the budget only one amendment can be moved. I allow it now because it is presented on the second reading of the bill bearing on the whole question of supply and ways and means. All authorities agree that on the second reading of such a bill any amendment can be moved which is relevant to the issue. On this point I quote May, twelfth edition, page 357, as follows with regard to the moving of amendments on the second reading of a bill:

It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move, as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill; or expressing opinions as to any circumstances connected with its introduction or prosecution.

But of course it must always be relevant, as it is in the present case. My statement is warranted, because I might be accused of taking one view on one occasion and a different view on another when practically the same question was involved. But on the second reading of a bill like the present one it is proper to seek a remedy for those who have a grievance, on the old principle of the right to air grievances before supply is granted.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, just before the House rose at recess the hon. member for Saskatoon (Mr. Evans), having reference to the motion that Bill No. 118 be read a second time moved in amendment:

That all the words after the word "that" be struck out and the following be substituted therefor:—

The House regrets that the budget presented by the Acting Minister of Finance countains evidence of the application of unsound principles of public finance, affords no relief from the excessive burdens of indirect taxation and constitutes a failure to carry into effect substantial economies in public expenditure and the fiscal policy of the Liberal party as from time to time enunciated;

And that the policy of protection maintained in the present budget has greatly increased the cost of living and production has failed to provide adequate revenues or to prevent serious depression in trade and industry;

And be it further resolved that a revision of the tariff schedules, based on the needs for revenue instead of on the principle of protection is long overdue and should be immediately undertaken in order to bring down the costs of living and to place our industries on a permanently sound basis.

As far as I am able to recall, and I think I recall the circumstances correctly, this is the same amendment which the hon. leader of the Progressive party (Mr. Forke) moved at the time the budget resolutions were introduced, and which under the rules of the House it was not permissible to proceed with at that time. Now the hon. member for Saskatoon brings this forward as an amendment to the motion to proceed with the second reading of the bill which is based upon the resolutions that have already passed this House. If any useful purpose could be served in debating a resolution of the kind at this stage, I could understand the motive which has prompted my hon. friend in bringing in the amendment. While it is perfectly true that the amendment when presented by the leader of the Progressive party at the time the budget was introduced could not then be discussed, there is no single affirmation or sentence of the amendment which has not been fully discussed in the course of the long debate which took place on the budget, the longest debate, I think I am correct in saying, which has ever taken place in this parliament, certainly the longest which has ever taken place on the introduction of the budget. Were we to debate the amendment of the hon. member it would only mean spending a lot of time in reiterating arguments and statements which have been discussed at great length for over a period of a month, and which certainly will not gain any emphasis by being repeated at this time.

I can only say that, under the circumstances, the motion as presented by my hon. friend cannot be construed as other than a motion of want of confidence in the administration. If the amendment were to carry it would mean that the government would not be able to proceed with the business of the country for the reason that it would be deprived of obtaining the revenues essential to the carrying on of the work of public administration. That is the only effect the carrying of this amendment could have.

What is extraordinarily singular is that the bill which the Acting Minister of Finance (Mr. Robb) is asking the House to permit to have its second reading is in identical terms with the resolutions which were introduced on which it is based, and which passed through the committee stage without a division. That is the feature I would like hon. members of the House to appreciate. The House has already without a single division approved everything of which the government at the present time is asking the House to approve in the bill for which we are now asking a second reading. I am inclined to feel that if my hon. friend the member for Saskatoon had appreciated that such was the significance of his motion, he would possibly—

Mr. STEVENS: Might I interrupt my right hon. friend? He states that there was no division of the House on the resolutions on which this bill is based. I would remind the right hon. gentleman that the House was divided on the principle of the resolutions when we divided on the budget; so it can hardly be claimed there was no division.

Mr. MACKENZIE KING: I have not questioned that. I have said that we have been discussing for a month and a half the principle of the resolutions, and after having discussed for a month and a half the principle of the budget I cannot see that any useful purpose would be served in reopening the debate on that score. Not serving the purpose of discussion of any matter of principle, the amendment reduces itself to a motion to prevent the government from proceeding with the bill which is before the House at the present time. Now the bill which is before the House at the present time is as I have said to all intents and purposes, a reproduction of the resolutions which were introduced by the Acting Minister of Finance at the conclusion of the budget debate, which resolutions have already passed this House, and have received at least

the silent support and approval of every hon. member of the House. Under the circumstances the amendment introduced at this stage, in this way, can only be in the nature of a motion of want of confidence in the government. It may not have been so intended, but I would appeal to you, Mr. Speaker, as to whether that would not be the effect, if it were passed. Believing that to be its effect and significance I can only say the sooner we find out whether or not the government has the confidence of the House the better.

Sir HENRY DRAYTON (West York): Mr. Speaker, I would be very much obliged if my right hon. friend would let me see a copy of the amendment. I feel in somewhat of a difficulty, Mr. Speaker, in dealing with this question at the present minute as this is the first time I have had the opportunity of seeing the notice of motion. The usual practice of sending copies in advance has not been followed in this case.

My right hon. friend says that this resolution can have no useful effect. He points out that it cannot have any useful effect because the only thing it could do, if carried, would be to establish a want of confidence in the government. I cannot imagine anything more useful for this Dominion at the present time. If there is any one thing that the people of this country want to-day it is a chance to pronounce upon public questions.

Some hon. MEMBERS: Bring it on.

Sir HENRY DRAYTON: It is something which would give them an opportunity of saying whether or not the present policy of drift and indecision is to continue.

Some hon. MEMBERS: Go to it!

Sir HENRY DRAYTON: Hon. gentlemen are exceedingly brave. They have it in their own hands. What is all this bravery about in saying "Go to it"? Who starts it? Who can start the election except the government, unless by some happy chance—

An hon. MEMBER: "Chance" is right.

Sir HENRY DRAYTON:—unless a vote can be passed in this House which will precipitate an election. So that I do not agree at all with my hon. friend in saying that this is an idle resolution having regard for the point from which he attacks it, because, having regard to the point from which he attacks it, it is most useful. The thing that is wrong with this resolution is simply that gentlemen who voted for the budget and voted down another amendment dealing with pressing questions at the present time, namely questions of taxation and economy, are now in a position to know that with absolute safety they may vote to turn this government out. That is the weak part, Mr. Speaker, of the situation. There is no question at all as to the facts. Hon. members have framed a resolution in such terms that it puts in somewhat of a quandary any man who has any regard for financial institutions and for the proper progress of the country. Anyone who has a regard for Canada at the present time ought to be trying to get his government out of power, and that same man ought to have and generally does have some regard for the form of the motion submitted to the House. So the situation is perfectly plain. I only speak for myself, but I have to choose between two direct duties, one the maintenance of what I believe to be sound, proper, sane financial proposals, and the other the duty which is an imperative duty that I feel, that I ought to do everything that I can to ensure to the people of Canada the opportunity to register their opinion on the first possible occasion as against this government.

An hon. MEMBER: That's that.

Sir HENRY DRAYTON: An hon. gentleman across the floor had something to say. I did not catch it. What was it? Very good, he had nothing to say. Now on the other hand, Mr. Speaker, this motion can serve a purpose that I do not think is at all commendable. It can serve the purpose of giving my hon. friends to my left the opportunity of voting safely against the government.

Mr. FORKE: My hon. friend can prevent that.

Sir HENRY DRAYTON: The hon. leader of the Progressive party says we can prevent that. I speak again for myself, and I say I am not in the habit of swallowing my principles for the purpose of making a switch on a vote. I think it is perfectly clear that this resolution has been so drawn as to make it a safety-first resolution, so that some gentlemen will be able to say, "We are opposing the government; we still believe in freer trade. We are against this government; there is our vote," while at the same time feeling assured that that vote is absolutely safe, that nothing is imperilled, and that the vote of want of confidence which ought to be passed by this House is impossible.

I agree with what my hon. friend said that this situation ought not to be made use of for the purpose of entering into another debate. We have already talked a very long time, but I really think my hon. friend went entirely out of his way when he talked about

the length of time this House occupied in connection with the budget. The government had it in its hands always to bring the debate to a close, as they brought it to a close when they made up their minds. Further than that, through the whips, my right hon. friend made it known a week before the conclusion, that it was time to bring it to an end. Yet notwitstanding that he went out of his way to castigate the opposition for obstruction.

Some hon. MEMBERS: Order, order.

Sir HENRY DRAYTON: How am I out of order?

Mr. CANNON: In referring to a former debate. It is an elementary rule that that cannot be done, and I want a decision on my point of order. We are not going to discuss the budget again.

Sir HENRY DRAYTON: The hon. gentleman may not know, but I understand this is a continuation of the debate upon that question, and I do not think there is any doubt about it. I await your ruling, Mr. Speaker.

Mr. SPEAKER: The first motion was for the Speaker to leave the chair for the House to resolve itself into committee of Ways and Means. The resolution went to committee, and was adopted and reported by the committee; two bills were introduced based on the resolution, notably the one we are discussing now. The first reading of the bill was passed, and we are now on the motion for the second reading of the bill. My ruling is that it is the same debate, though at a different stage, and the hon. gentleman is therefore in order.

Sir HENRY DRAYTON: I felt pretty sure of my ground on the point of order that was raised. Under these circumstances it ill befits my hon. friend to charge the opposition with obstruction. Hansard itself is the best answer to that allegation. We all know that in parliament when we have not time for preparation, and particularly at the end of a long debate, things are said for which we are sorry afterwards. I admit that at once, but I submit that if there is one person in this world that ought to be careful it is the First Minister of the Crown. and he certainly ought not to make charges of that kind which the records show to be incorrect. So far we have had nothing from my right hon. friend acknowledging his error or pointing out that of all the long speeches delivered on the budget his was the longest. Yet he makes the charge of obstruction. I am not going to give my right hon. friend any opportunity of saying that I am delaying this debate. I simply rose for the purpose of making these few remarks to join with my right hon. friend, not in connection with the major part of his observations, not in connection with that anticipated swan song of his as to what would happen if he could no longer function, but simply as to his one statement that we have had a long debate, a debate which the government could and ought to have stopped long before they did, but did not see their way to do so, and to suggest to hon. members that we ought not to go into another stage of a long debate and that the vote should be taken this evening.

The House divided on the amendment (Mr. Evans) which was negatived on the following division:

YEAS

Messrs:

Bancroft,
Bird,
Brown,
Campbell,
Carmichael,
Coote,
Crerar,
Davies,
Elliott (Waterloo),
Evans,
Forke,
Gardiner,
Garland (Bow River).
Good,
Gould,
Hoey,
Hopkins,
Irvine.
Kennedy (Edmonton),
Knox,
Leader,
Lovie,
Lucas,
Macphail (Miss),
McTaggart,
Milne,
Morrison,
Speakman,
Spencer,
Steedsman,
Stewart (Humboldt),
Ward,
Woodsworth.—33.

NAYS

Messrs:

Baldwin,
Benoit,
Binette,
Black (Huron),
Black (Yukon),
Bouchard,
Bourassa,
Cahill,
Cannon,
Carruthers,
Casgrain,
Chevrier,
Chew,
Copp,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Dickie,
Drayton (Sir Henry),
Duncan,
Ethier,
Euler,
Findlay,
Finn,
Fiset (Sir Eugene),
Fontaine,
Forrester,
Fortier,
Fournier,
Garland (Carleton),
Gervais,
Gordon,
Graham,
Grimmer,
Hammell,
Hanna,
Hatfield,
Healy,
Hughes,
Humphrey,
Hushion,
Jacobs,
Jelliff,
Johnston,
Kay,
Kennedy (Glengarry & Stormont),
King, Mackenzie (York),
Kyte,
Laflamme,
Lanctôt,
Lapierre,

Lapointe,	Papineau,
Lavigueur,	Pelletier,
Logan,	Power,
Lovett,	Prevost,
Low,	Pritchard,
Macdonald (Pictou),	Rankin,
Mackinnon,	Reed,
MacLaren,	Rhéaume,
MacLean (Prince, P.E.I.),	Rinfret,
Maclean (York),	Robb,
McBride,	Roberge,
McConica,	Robichaud,
McDonald (Temiskaming),	Robinson,
McKay,	Robitaille,
McMaster,	St. Père,
McMurray,	Savard,
McQuarrie,	Séguin,
Malcolm,	Sexsmith,
Marcil (Bonaventure),	Shaw,
Marcile (Bagot),	Sheard,
Marler,	Sinclair (Oxford),
Mercier,	Snowball,
Michaud,	Spence,
Motherwell,	Stewart (Argenteuil),
Munro,	Stewart (Leeds),
Murdock,	Stork,
Murphy,	Tobin,
Neill,	Walsh.—110.
Ouimet,	

PAIRS

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

Messrs:

Morin,	Beaubien,
Dechene.	Sales.

Mr. BEAUBIEN: I was paired with the hon. member for St. Hyacinthe-Rouville (Mr. Morin). Had I voted I would have voted for the amendment.

Main motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Schedule (a) amended.

Mr. STEVENS: Section 1 deals with the schedules in connection with the amendments to the tariff. These schedules I presume are the same as those in the resolution.

Mr. ROBB: Yes.

Bill reported, read the third time and passed.

THE SPECIAL WAR REVENUE ACT, 1915, AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No 119, to amend The Special War Revenue Act, 1915.

Mr. STEVENS: This bill has not been distributed.

Mr. ROBB: It is precisely the same as the resolution we put through the other day and on which the House was fairly unanimous.

[Sir Henry Drayton.]

Mr. STEVENS: I am the last to suggest delaying the business of the House, but to ask us to proceed without even a shred of paper relating to this bill before us is going too far. I would take this opportunity of saying to the minister that he made this afternoon a statement which I tried then to correct in the very brief time at my disposal, and which I think was exceedingly unfair. A day or two ago he moved the resolutions into committee and we expedited them; the whole schedule passed through the House in one sitting. It may have been two sittings that we had on them, but I think it was one, and this was almost unprecedented in the consideration of the budget. Notwithstanding this my hon. friend to-day declared that he had been delayed. I thought this statement most unfair and unkind, and certainly was not in keeping with the minister's usual courtesy and fairness. We always seek to give fair treatment to him and to other ministers who extend to the House the usual courtesies of parliament, and his reference to delay hurt us very much indeed. Now, he surely is not going to impose upon us consideration of a bill that we have not seen?

Mr. ROBB: No, Mr. Speaker. I am very glad my hon. friend made that qualification, that he did not think I wished to hurt him when I made reference this afternoon to the delay that had occurred. I was not referring to the proceedings in the committee but to the lengthy debate on the budget. I am sorry if I have injured my hon. friend's feelings, for he is the last man in the world whom I would wish to hurt.

Mr. STEVENS: We will forgive the minister.

Mr. ROBB: I regret that the bill has not been distributed. I would suggest that we adjourn this debate and in the meantime have the bill distributed, so that later in the evening we can resume consideration of it.

Mr. SPEAKER: I do not want to disturb this love feast. It will be remembered that the night before last we sat very late, and if the bill has not been distributed no fault is to be imputed to the officers of the House. Later on in the evening, as suggested, we might proceed with the consideration of the bill.

Mr. MACKENZIE KING: Mr. Speaker, I move the adjournment of the debate.

Motion agreed to and debate adjourned.

DEPARTMENT OF IMMIGRATION AND COLONIZATION ACT AMENDMENT

Hon. J. A. ROBB (Minister of Immigration and Colonization) moved the second reading of Bill No. 112 to amend the Department of Immigration and Colonization Act.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Duties and powers of minister.

Mr. STEVENS: Mr. Chairman, I do not want the minister to think that because we did not oppose the second reading no explanation of this bill is due the committee. We would like to know just exactly what is the purpose of the amendments.

Mr. ROBB: Mr. Chairman, if hon. gentlemen will refer to the explanatory notes opposite each section, the amendments will be quite clear to them. The courts of British Columbia gave a decision that section 4 of the Immigration and Colonization Act had the effect of transferring to the Minister of Immigration and Colonization
9 p.m. the power conferred on the Minister of Justice by section 43 of the Immigration Act. The purpose of the amendments is to correct this situation for the future, and to legalize all such orders issued in the past, other than those which have been passed upon by the courts. That is, it is the intention that the Minister of Justice shall deal with all these cases.

Mr. STEVENS: Do I understand this has reference to deportation of persons convicted of some criminal offence?

Mr. LAPOINTE: Yes, and who have served their term.

Mr. STEVENS: Will the Minister of Justice kindly explain what is intended?

Mr. LAPOINTE: Apparently, when the Immigration Act was amended, through some mistake the duty of signing the order for deportation, which had always been done by the Minister of Justice, was unwittingly transferred to the Minister of Immigration. This bill is merely for the purpose of restoring this duty to the Minister of Justice.

Mr. STEVENS: I am speaking without preparation, I admit, but I recall some years ago the question of deportation was under discussion, and if my memory does not serve me false, at the time I urged that the Minister of Immigration should deal with the deportation of persons convicted of felony. Now I am again speaking wholly from memory, but I have in mind we were dealing particularly with offenders under the Narcotic Drugs Act, in which we were very deeply interested on the coast, because at that particular time both there and in Montreal orientals were known to be trafficking in narcotic drugs contrary to the law. The traffic became so notorious that the public of British Columbia was thoroughly aroused, and in order to contribute to the suppression of that illicit traffic it was thought desirable that these traffickers, when convicted, should be deported with very little ceremony; that is, that there should not be too much red tape in the deportation procedure. Having that in view, power was given to the Minister of Immigration to sign the deportation orders. Personally I should like to be very sure that that intention is still to be carried out, and that we are not by this legislation introducing some circuitous procedure. I am not reflecting on the Minister of Justice.

Mr. ROBB: Nor on the Minister of Immigration?

Mr. STEVENS: The Minister of Immigration can look after himself in regard to these offenders. The Justice department is supposed to be conducted on a plane somewhat above that of the other departments, and the result is that the Minister of Justice sometimes delays unduly in his consideration of these deportation cases. On the contrary, the Minister of Immigration, acting on the reports of his officers, dealt with them in a more or less summary fashion. I should like to be assured that no greater leniency is to be extended to this class of offenders. This country should desire to get rid of such offenders as quickly as possible. We do not want to throw our courts open to unlimited appeals from aliens who have been convicted of a felony. Every conviction of an alien should justify our deporting the offender with very little ceremony.

Mr. LAPOINTE: My hon. friend may be assured that his remarks will be noted. There is no intention to deal with these men any more leniently. It is simply a question of its being more practical to have this done by the Department of Justice, because the persons to be deported are in the custody of officers of that department.

Mr. STEVENS: Will the minister describe the process? What has to be done? Who makes the appeal for the deportation?

Mr. JACOBS: As I understand it the only object of this act is to give the power to the Minister of Immigration and Colonization, instead of the Minister of Justice, to deport these people.

Mr. STEVENS: No, it is just the reverse.

Mr. JACOBS: Is it thought that the Minister of Immigration and Colonization is so soft hearted that he cannot do the work, and he wants the Minister of Justice to do it?

Mr. STEVENS: That is what I am trying to find out.

Mr. JACOBS: I think the Minister of Immigration and Colonization has been doing this work vigorously and with despatch during the last few years. He knows how it has to be done.

Mr. LAPOINTE: It has always been done by the Minister of Justice, under section 43 of the Immigration Act. It is the Department of Immigration and Colonization that asks for the amendment so that what has always been the practice shall prevail.

Mr. MANION: I would like to have a thorough explanation of this bill. The little conversation that has been going on between the Minister of Justice and the hon. member for Vancouver Centre, with a few words thrown in by the Minister of Immigration, has not made it clear, I am sure, to a good many of us. Will the minister explain it from start to finish?

Mr. ROBB: It is largely to avoid red tape. The person who is to be deported is already under the charge of the Minister of Justice and we think it is a slowing down of the process that the necessary documents should first have to go to the Minister of Immigration and Colonization.

Mr. MANION: Does this deal only with immigrants coming in, or with persons generally?

Mr. ROBB: With any person who has to be deported.

Mr. MANION: How many years has a person to be in this country before he is immune from deportation?

Mr. ROBB: Five years, I think.

Mr. STEVENS: I am a little uneasy about this legislation, because I recall very well the serious condition which prompted the original legislation. I do not know what influence is demanding this change.

[Mr. Stevens.]

Mr. LAPOINTE: It is not a change; it has always been done in this way. A mere reading of section 43, which is set out in the explanatory notes of the bill, will explain that. The warden of the penitentiary is an officer of the Department of Justice and should receive his orders from the minister of that department.

Mr. EULER: Is the order for deportation to be issued only at the expiration of the term of the man who is serving the sentence?

Mr. LAPOINTE: Yes.

Mr. EULER: Would it not be better to remove him at once if you are going to get rid of him anyway?

Mr. LAPOINTE: I do not think so. If a man commits a murder in this country and is sentenced to twenty-five years' imprisonment, he would be very much pleased if we would send him back to Europe instead of detaining him.

Mr. STEVENS: The minister's observations make me even more suspicious of this legislation. The minister argues this: "I am the minister in charge of penitentiaries. Here is a statute which authorizes the Minister of Immigration and Colonization to issue an order in respect to a prisoner in one of these institutions. I do not think that is right; the order should be issued by myself." But here is the weakness of the minister's position: In all sections of the country it is the official of the Immigration department who knows of the case, who is in touch with it, who is watching it. I believe the duty rests upon the clerk of the municipality or the clerk of the court in the municipality or district in which the offence was committed, and where the person to be deported is incarcerated, to notify the Immigration department. The immigration officer gets word of this and it is his business to see to the deportation; in all other forms of deportation these duties are always carried out by an immigration officer. For instance, if an immigration officer finds a person in the country contrary to the immigration law, he has him apprehended, detained, and deported on the next boat.

Mr. LAPOINTE: Who will give the order to the warden of the penitentiary to deliver that man to the officer?

Mr. STEVENS: The Minister of Immigration advises the warden—

Mr. LAPOINTE: There is no connection between the Minister of Immigration and the warden.

Mr. STEVENS: We will suppose there is a man in Vancouver whose day of release is to come to-morrow. The immigration official gets word that to-morrow a certain notorious criminal is to be released. He cannot wire his minister and get an order immediately; it has to go through all the red tape at Ottawa before getting through the Immigration department and the Justice department. If this bill passes I venture to say that hundreds will be released without being detained at all.

Mr. ROBB: That is the difficulty we are experiencing now: it comes to the Minister of Immigration and the Minister of Immigration sends it to the Justice department; then it goes on to the warden. We propose to shorten the procedure so that it will go direct to the Minister of Justice.

Mr. STEVENS: No. The way it is now—

Mr. ROBB: I have been doing it for the last three months.

Mr. STEVENS: Certainly. The minister signs the order, and it is immediately communicated to the warden of the penitentiary.

Mr. STEWART (Argenteuil): You are wrong there.

Mr. STEVENS: I am not wrong. That is the law.

Mr. BAXTER: The section says so.

Mr. STEVENS: That is the law; I do not care what circuitous route is followed here. I am objecting for this reason. We had all manner of difficulty in the years preceding 1918 in apprehending particularly violators of the Narcotic Drug Act. It became a veritable scandal on the Pacific coast. Public meetings were held in various cities out there, and in some of the cities eastward, protesting against the laxity of the regulations, the formality involved, and the difficulty of apprehending these people and getting them out of the country. This legislation before us in my estimation will make it more difficult than ever to secure the deportation of these individuals who are in the penitentiaries or jails committed for a felony.

Mr. STEWART (Argenteuil): Having the Minister of Immigration issue an order to his officer to take charge of the prisoner at the moment he is released did not short cut the thing, and this is not lengthening the process any because in all cases the Minister of Justice had to give the order. To all intents and purposes the prisoner is in charge of the Minister of Justice from the moment of his conviction until his sentence is served, and the moment the prisoner steps out, instead of the Immigration department executing the deportation, it would be executed by the officer of the Minister of Justice.

Mr. STEVENS: Let me ask a question. At the present time if the Minister of Immigration advises the warden of the penitentiary that such and such a criminal is about to be released and is to be held for deportation, that warden has to hold him.

Mr. STEWART (Argenteuil): Certainly.

Mr. STEVENS: Certainly, but when you pass this law and the Minister of Immigration or any accredited officer so advises the warden, the warden says: "No, I take no instructions except from the Minister of Justice," and if it happens that there is a loss of connection between the Immigration department and the Justice department your criminal must be released, and nothing can hold him there. There is no doubt about that. You are simply adding another step to the procedure; that is all.

Mr. LAPOINTE: Will not my hon. friend admit that, after all, it is merely a question of procedure? There is no principle involved; it is merely a question of procedure. Now who knows which is the best procedure? Is it not the officers of the departments concerned who have been dealing with this matter for four years, and who have asked that there shall be no change in the procedure which has been followed all this time? Will not my hon. friend admit that after all the officers of the Immigration department as well as the officers of my department should be the best judges of what is the best procedure to follow?

Mr. STEVENS: That is a very nice way to put it, but I want to point out to the minister that we have a right to our opinion, and I will say something further to him. I want to tell him it was the failure of both the Justice department and of the Immigration department, not of this government but of past governments, to have a due appreciation of the situation that brought about this legislation in 1918. It was public opinion that forced that legislation on the statute book.

Mr. LAPOINTE: Oh no, it was—

Mr. STEVENS: It certainly was. I had a good deal to do with it, and this is refreshing my memory. It was the indignation of the public on the Pacific coast that brought about that legislation, and now we are going back to the sleepy methods that were followed in previous days.

Section agreed to.

On section 2—Orders of Minister of Justice to be valid.

Mr. EVANS: Unless I misunderstand this bill, I think a word here is necessary on behalf of the stranger within our gates. I do not understand the member for Vancouver Centre as wishing for more stringent legislation in this regard. If I understand the bill aright, we may detain the immigrant who has committed an offence and keep him in jail or in the penitentiary or reformatory for many years, and then deport him without any further ado. After many years he has lost all connection with the land of his birth, he has lost his standing in this country as well, and we turn him adrift, perhaps penniless. In the name of humanity I think we are dealing too summarily altogether with those who are seeking new homes in our country.

Mr. LAPOINTE: Of course, my hon. friend has read the section of the statute? It applies only to men who are not Canadian citizens or who have not acquired Canadian domicile.

Mr. EVANS: Is it not a fact that those to whom this act would apply mostly require five years' residence in this country before they can obtain citizenship anyway? We may detain that man ten or fifteen years in prison in this country, at the end of which time he has lost all connection with the land of his birth, and then we summarily deport him without trial. It does not seem like British justice.

Mr. STEWART (Argenteuil): They have not lost citizenship. If a Canadian were to commit a like offence in another country and serve a like sentence, he would come back to Canada as a Canadian citizen. So it works both ways.

Mr. McQUARRIE: Has the minister considered the point raised by the hon. member for North Waterloo (Mr. Euler) as to whether the act could be so amended as to provide for the deportation of these convicts immediately after their conviction instead of keeping them here in the gaol or penitentiaries? It seems to me there might be something in that. I have considered the point previously. As a matter of fact, it has been put up to me by some of the authorities, more particularly in regard to the less serious offences which have resulted in gaol sentences. In the case of a sentence to gaol, what happens? It means that the municipality in which the offence is committed has to maintain the man while he is in gaol awaiting deportation. It is very doubtful indeed whether the confinement in gaol is going to do any of these people any good.

The CHAIRMAN: I would draw the hon. member's attention to the fact that section 1 is passed. It is section 2 we are dealing with now, providing that the orders of the Minister of Justice shall be valid.

Mr. McQUARRIE: Section 2 deals distinctly with section 43 of the Immigration Act, which is the one I am discussing.

The CHAIRMAN: I do not see the relevancy at the present time.

Mr. McQUARRIE: Section 2 distinctly refers to section 43 of the Immigration Act, and it is that section of the act I am discussing.

The CHAIRMAN: Is it the hon. member's intention to suggest an amendment to section 43 of the act, as coming within section 2 of this bill? This deals purely with the power of the minister to make an order.

Mr. McQUARRIE: I say that this section is before the committee, and I am discussing with the minister whether it would not be advisable to further consider the suggestion which was made by the hon. member for North Waterloo. If I may proceed, Mr. Chairman—I shall not be long—when a man is sent to the gaol, the municipality has to pay for his keep until he has served his sentence, and then he is deported. Why not deport him immediately after conviction? I do not see why that could not be done.

Mr. LAPOINTE: Because he has committed a crime. He has been convicted of a crime and has to serve a sentence. I am sure my hon. friend would be very popular with these people if, under such circumstances, he would allow them all to go scot-free.

Mr. JACOBS: Suppose two men, one a Canadian and one an American citizen, commit a crime. The Canadian would be sentenced to two years in the penitentiary for his offence, while the American would be sent to New York, both having committed the same offence. The thing is absurd on the face of it. The man should be punished, and in addition to that he should be sent out of the country. But to sentence a man to repatriation for an offence would make the Minister of Justice most popular with alien criminals. Suppose a man wants to go back to London and has not the means; he says to himself, "I will commit an offence, incur

imprisonment for two years, and be sent back to my country, without any cost to myself." Such a procedure would be placing a premium on crime.

Mr. McQUARRIE: In the meantime, if you do not do that, you are simply providing him with board and lodging, because a man who is so unprincipled as to endeavour to do what has been suggested by the hon. member for George Etienne Cartier (Mr. Jacobs) would not care very much whether he was kept in gaol or not. This provision for the deportation of a foreigner who has committed an offence in this country is comparatively recent. When you send a man to the penitentiary what happens? The government has to keep him there and educate him.

Mr. JACOBS: Where would New Westminster be if you did not have a penitentiary.

Mr. McQUARRIE: I guess it would be in the same place as it is now. The government has to keep and educate this man and all that kind of thing, and the difference to my mind is this, that we owe a duty to Canadian citizens and British subjects, but we do not owe any duty to foreigners. When we deport them we are inflicting upon them possibly the greatest penalty that we can impose

Mr. GARLAND (Bow River): My hon. friend suggests that we owe a duty to British subjects coming here on our solicitation, but that we do not owe any duty to foreigners Does he really mean that, or is that just a joke? I really do not think the hon. member can be serious in that.

Mr. McQUARRIE: We apparently do not owe any duty to the people who are not Canadian subjects when we throw them out of the country. When we deport them we are through with them and they cannot come back to Canada.

Mr. LAPOINTE: But we are not paying them a compliment either by keeping them in gaol.

Mr. McQUARRIE: But we are going to a lot of expense in keeping them in gaol, and the question is whether we should do that or not. I am simply suggesting this to the minister as something that might be considered. I do not say that I am absolutely in favour of it. I can quite see that lawyers might cast it aside as being ridiculous, but at the same time the more I think of it the more I am convinced that this matter should receive some consideration.

Mr. HOEY: Will the minister tell us if all such prisoners after release are deported, or are exceptions made in certain cases?

Mr. LAPOINTE: It is optional.

Mr. HOEY: Optional with the prisoner?

Mr. LAPOINTE: It is in the discretion of the department.

Mr. HOEY: Optional with the department, but not optional with the prisoner.

Mr. LAPOINTE: No.

Section agreed to.

Section 3 agreed to.

Bill reported.

SPECIAL WAR REVENUE ACT AMENDMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): Bill No. 119, to amend the Special Act, 1915, has now been distributed. If hon. gentlemen have no objection, the government would like to proceed with it this evening. Copies are on the table.

Mr. GARLAND (Bow River): We have not copies.

Mr. MEIGHEN: I do not desire to waive the rule in this case. I do not think there is any need of proceeding with it. Other items were mentioned in last night's statement by the minister. I have not had time to read this bill.

Mr. MACKENZIE KING: If my right hon. friend objects of course we will not proceed. We have already been over it in committee, and my hon. friend is familiar with it all.

Mr. MEIGHEN: I do not care to proceed with it.

Mr. MACKENZIE KING: Then the second reading will have to stand.

Bill stands.

DOMINION LANDS ACT AMENDMENT

The House resumed from May 11, consideration in committee of Bill No. 75, to amend the Dominion Lands Act.—Hon. Mr. Stewart (Argenteuil)—Mr. Gordon in the chair.

On section 1—Conditions of entry for lands in Saskatchewan and Alberta south of south boundary of township 16.

Mr. STEWART (Argenteuil): There is just the one clause in this bill dealing with the sale of school lands, and it was not finished when we were in committee the other day.

The hon. member for East York (Mr. Harris) moved an amendment, and I asked time to consider it. I have now drafted a proviso that will cover the objection taken by the hon. member. This proviso reads:

> And provided that no action shall be taken save and in respect of a holder who has been actually farming such lands in a proper and husband-like manner.

That is in order to take in only the men who are actually farming these lands, not the speculator who is using these lands for speculative purposes. This provision has been copied from the form of mortgage describing cultivated land. I have adopted the same clause and embodied it in this section. It amply covers the objection raised by hon. gentlemen opposite.

Mr. MEIGHEN: What is meant by "such lands"? Does that mean lands that are surrendered or lands or quarter sections that are to be retained or the whole of the land bought?

Mr. STEWART (Argenteuil): It means that the lands in question, whatever lands they are, both those that are surrendered and those to be retained, are being farmed. The idea is not to allow the speculator to come in who is not farming the lands, who is holding them for speculative purposes. Frankly, I do not think there are any left, but I tried to meet the objection so that this will be confined to men who are actually carrying on farming operations on those lands.

Mr. MEIGHEN: A man might have bought at a school land sale a section of land and he might be farming only a quarter of it. He desires to retain that quarter and to abandon the other three quarters. He could not do that under this amendment. He would have to be actually farming the whole section. My point is this, that under the amendment as worded, I fear the minister virtually negatives the whole clause. What I mean is this: No man who is farming land which he has bought at a single sale, will be anxious to give up that part of the land which he has under cultivation.

Mr. STEWART (Argenteuil): If my right hon. friend is speaking of farming, say 160 acres, no one farms the whole 160 acres. He farms portions of that. What I am trying to avoid is to say that, without his having performed any duties upon the land, he would be entitled to give it up.

Mr. MEIGHEN: What the minister means is this, that if a man is farming a portion of the actual land bought, that should be sufficient. The way in which the minister has this worded, the man would have to be farming in a good and husbandlike manner, perhaps not every acre, but every portion. I presume the minister means—and if he does, he is right—that even a man who is living in a town, provided that he is farming the land by means of a tenant or an employee, is entitled to the relief just the same as anybody else.

Mr. STEWART (Argenteuil): Yes, if he is spending money on the property.

Mr. MEIGHEN: I think that is quite proper, but I fear the minister's wording will have to be extended; otherwise, it will mean that the man has to be farming every portion of the land even though he is not ploughing every portion of it. Any man who is doing that is not going to give up the rest and have all his payments centre on the one quarter.

Mr. STEWART (Argenteuil): All I am seeking to avoid is that the speculator should come in and take advantage of this provision We want simply to deal with men who can prove to the satisfaction of the department that they are in a position where they cannot continue; that they are liable to sustain serious loss, and that they have been putting forth their best endeavours to farm the land. They are the people whose investment we are trying to save. If a man is in no danger of losing his investment, he has no cause for complaint and he cannot ask to be taken under the protection of this legislation. Cases, however, constantly come to our notice of the kind I have described. There is a case on the Blackfoot reserve of a couple who have spent $30,000 in trying to develop a farm. The husband died a year ago. The widow is left in possession of the property and she is unable to carry it on. There is no section in the Indian Act that gives me authority to deal with that case, but it is identical with cases that arise. The land which this couple have been farming comprises a considerable acreage. I have forgotten the quantity. So far as I am able to ascertain, they have been farming it in a good, husbandlike manner, but the widow has got into a position where it is impossible for her to carry on. If she could surrender part of the land and apply the payments on the balance, that would get her out of a very difficult situation. That is exactly how I mean to apply this provision. I have gone carefully into this question, and I think the clause is drafted so as to give us authority to deal with these cases where they arise.

Mr. MEIGHEN: Supposing a man buys a section and sells half of it, and the purchaser who buys on an agreement of sale, cultivates a portion of that. The man is not farming any of it at all, but he has some of it under cultivation through his purchaser. He applies to have the moneys he has paid all devoted to the redemption of the half section that he has sold. Will the minister feel that he is empowered under this amendment to yield to the importunities of that man?

Mr. STEWART (Argenteuil): Do I understand my right hon. friend to suggest that the other half the man is holding himself would not be cultivated?

Mr. MEIGHEN: Yes. He bought it all as one piece.

Mr. STEWART (Argenteuil): He could scarcely claim to apply the payments on the half that was uncultivated to the half that was cultivated. That is one of the very serious difficulties with which we have to contend. The method of disposing of these lands by agreements of sale creates endless difficulties in making adjustment. There are so many parties interested in the matter that it almost puts an adjustment beyond the bounds of possibility.

Mr. GARLAND (Bow River): Supposing one of these parcels of land to which the right hon. gentleman has called the minister's attention were used simply as grazing land for grazing purposes, and the other portion is the portion of which the minister has spoken, that is cultivated. The man is in difficulties. What is there in this legislation to prevent that man from having the payments on both quarters apply on the cultivated one and so get out from under his liability on the uncultivated land?

Mr. STEWART (Argenteuil): One can hardly conceive of the various angles that will arise in connection with dealing with a question of this kind; but the legislation is devised, so far as we can devise it, for the purpose of meeting cases of real distress. I am not tying them down to just how much cultivation there shall be or whether it shall be fifty, sixty or seventy-five acres. If a man had a half section that he wished to retain without any cultivation on it, I would hesitate to some extent. If it were a quarter section, that would be a different matter, and I think I could agree to that, provided that he had a half section well cultivated and was having difficulty in meeting his payments.

Mr. BANCROFT: What would happen in a case where a whole section, say of school land, purchased by a settler residing near there, was grazing land, was purchased for that purpose and he got into difficulties in just the same way as a man who bought land for farming and was unable to carry it on? Would the same treatment apply to him? Could he surrender three-quarters and keep one?

Mr. STEWART (Argenteuil): I am sorry, but we do not cover that case. The moment you do that, you immediately cover the case of land with a two-strand wire fence around it, leased by a speculator for somebody to graze his stock upon. That is, perhaps, a real difficulty and it may be somewhat of a hardship. But if you carry it to that extent, the other purchaser comes in with whom we do not wish to deal.

Mr. BANCROFT: I am sure the minister will agree with me that there are some cases where this land is not leased, but purchased solely for that purpose, because pasture is scarce in some of those sections in the west. It might in a few cases work a hardship on such a man.

Mr. STEWART (Argenteuil): I had a fairly wide experience in this matter before coming here. We encountered all sorts of difficulties and I made some trips to Ottawa with regard to the leasing of school lands held by speculators or by people who hoped for an increase in value by leasing the land for a time. The real reason these people leased the land in our province was to get out of the wild land tax; and they avoided this by putting stock on the land. We were forced to meet this attempt to avoid taxation by enacting a clause providing that the stock must be the bona fide property of the owner of the land. If we undertook to assist cases of the kind suggested we might step into difficulties of all sorts. It was to meet the objection raised in the committee on the previous occasion that I drew up the clause I am now suggesting.

Mr. MEIGHEN: The minister is going to be in a position under this amendment to do pretty much as he likes.

Mr. STEWART (Argenteuil): That is true.

Mr. MEIGHEN: And I do not know how the amendment could be framed to avoid putting him in that position. I want to put myself on record to this effect: This legisla-

tion will result in bringing back into the title of the government a very large proportion of the outstanding school land sales. The title will revert to the department and not only will the progress which has been made in school land sales for many years be arrested, but retrogression to a great extent will ensue. I ask the minister to note what I am saying now; he will find that this will be the result.

Mr. STEWART (Argenteuil): I cannot share the fear expressed by my right hon. friend. We know pretty well now the number of rescissions that will take place. We have had a great deal of correspondence and the matter was discussed fully with the provincial governments before this step was taken. It will be applied only in cases where there is real distress. It is true, as my right hon. friend says, that considerable power is placed in the hands of the minister, and this is necessary if the act is to be practicable.

Mr. GARLAND (Bow River): Approximately, what is the amount of the arrears on school lands?

Mr. STEWART (Argenteuil): I could not give that information now; I will submit it when the estimates are under consideration.

Mr. MEIGHEN: This will be an expedient to relieve the large purchaser to a very great extent; he is the beneficiary of this legislation. But the small purchaser cannot possibly be relieved at all. The fellow who bought a quarter section in the boom times at a high figure must make his payment or lose his money; but the man that bought a section or two, if he is farming part of it, can come to the foot of the throne and make out a case for a lease. The poor chap with a quarter section must stay with his bargain.

Mr. STEWART (Argenteuil): Very few fail on the quarter section. I do not think, speaking from memory, that I have one application from an individual who has purchased a quarter section.

Mr. MEIGHEN: What could the poor fellow apply for? There is no smaller unit; he has to stick, that is all.

Mr. SPENCER: Does the department allow the purchaser of school land to re-sell the land to a second party? If so, does the department hold the original purchaser good for the full payment in case the second purchaser does not come through?

Mr. STEWART (Argenteuil): I do not quite follow the question.

[Mr. Meighen.]

Mr. SPENCER: I want to know whether purchasers of school lands are allowed to re-sell, and, in that case, whether the department holds the original purchaser good for the amount.

Mr. STEWART (Argenteuil): In most cases the sales are made by agreement, and the great difficulty in the department is that frequently it is not notified. But if they are prepared to pay out the amount against the land then the first purchaser is released, but not until the amount is paid.

Mr. MEIGHEN: The minister I think has missed the point. What the hon. member wants to know is whether the department can hold responsible the person who purchases from the government's vendee. He cannot be held responsible, nor can the government hold their own purchaser responsible, inasmuch as the government's purchaser does not enter into any agreement at all; he gets a receipt for the money he pays. It amounts to this, that the purchaser from the government really takes an option, but he is not bound personally; there is nothing by which he can be made to pay a cent. All he suffers is the loss of the first payment in case he does not come through.

Mr. CAMPBELL: On the other hand, by that policy the government it seems is in a favoured position to cancel the land not held by legal restriction.

Mr. MEIGHEN: That is right.

Mr. CAMPBELL: In the past I think the department has erred on the side of leniency. A great deal of this land passes into the hands of speculators and is turned over by them to bona fide farmers at a large price. The speculator's object is to secure all the equity he can from the farmer. The farmer in many cases has broken up the land, he has put his buildings on it, having done all the work of development, and now he finds that the payments have not been kept up to the department; in fact, in some cases that I know of nothing further than the original payment was made. The farmer on the land wants possession of it and cannot secure it. I think the policy of the government should be to eliminate the speculator and eliminate him immediately; but in a great many cases they are not doing so. It is in cases where the land was purchased by wealthy men that the government is extending the most protection to the speculator. I know of instances in which land was bought at from six to eight dollars per acre originally and was turned over to the farmers at as high as

eighteen dollars. A farmer has worked on it for years, having spent a lot of money, and now he finds he has no opportunity of securing it. The speculator never paid any taxes and the farmer has let his own taxes run on, because he did not know whether he would acquire the land or not. The municipalities were not able to collect the taxes for the reason that there was no title to the land and they did not want to seize from the farmer; they knew he had his share of the crop to deliver to the original purchaser and they feared to put him out of business. The result is that the taxes have run up in arrears to an enormous extent; in one case I know of there is nearly $1,000 against one particular quarter section. A municipal officer told me some time ago that in view of the trouble they have experienced they would prefer to lose the taxes if they can eliminate the first party. It seems to me that if the department would wipe out the speculator and get the bona fide farmer on the land the municipalities could secure their taxes and be in better shape than they are to-day, because they would be doing business direct with the farmers. The only thing for the minister to do is, as I say, to eliminate the speculator, who has been a curse to western Canada. With regard to the question raised by the leader of the official opposition (Mr. Meighen), that a man might be living in a town and yet be farming his land by proxy, there are a great many cases of that kind and these men might be entitled to consideration. In many cases it has happened that some man has gone on the land and worked on it a very short time and then moved in town to engage in some other business, and necessarily he had to rent the land or get someone else to work it. In that case I would say that the man would be entitled to consideration, but I think the minister should not be bound by any very definite legal restriction and that he is perfectly right in leaving the matter to his own judgment. Indeed, I do not think it can be handled any other way. But I should like to point out that in the case of a speculator, who never intended to farm the land, but just used it to farm the farmer, merely trying to get all the money he could out of it without doing any work, and in a good many cases where he did not sell it had some broken up to comply with the provisions of the Wild Lands Act. I think the minister should take drastic action and eliminate that speculator. I want to point out another feature, that in re-selling the land the man residing on it should have the first opportunity to purchase. There are some cases of very great hardship, and in the cases I have referred to I may say that the department has been very fair and always willing to give the man on the land the first opportunity to purchase. I think that should be borne in mind, that somebody else might step in and put up a little more cash or pay a few dollars more and the man on the land would be losing his equity and forced out on the road.

Mr. MEIGHEN: How does the minister feel about that speculative argument?

Mr. STEWART (Argenteuil): The speculator is very hard to eliminate. When you attempt to do so you wipe out the purchaser too. You cannot do anything in that case. If he has made a sale of the property, and the property is cultivated, we cannot be responsible for the collection of the taxes. Where you find a speculator in possession of land to-day, he is paying the interest, although he may not be paying any of the principal. When he gets in arrears with his interest payments we take action; not so when the man in arrears is the actual farmer. But if that speculator has some other man on the land working it, then you are going to put the latter out of business as well as the speculator the moment you take action on the contract. My hon. friend may say: Well, is there not some process by which you can protect the man on the land? There is not, because under the act we must sell the land by auction.

Mr. CAMPBELL: I think the minister has missed the point of my argument. We will say a speculator bought land at ten dollars an acre, and resold it at fifteen dollars an acre to a farmer. His object is not to pay the original amount to the department at all, but as quickly as possible to secure his equity, and then assign what equity he may have to the farmer on the land. If the minister cares to look up the figures in his department he will find that in a great many cases the interest payments are not being kept up. I understand the minister has nothing to do with payment of the taxes, but I think the department is under a moral obligation to the municipalities to at least be reasonable in the matter. The point is this, the speculator should be eliminated and the land, or a reasonable amount of it, resold to the man on it. In most cases this man might be ahead by this proceeding, because he probably bought that land at a time when the value of it was inflated above what it is worth to-day. In a good many cases the speculator

never secured his full equity because the value of the land has dropped to such an extent that it is probably not more than equal to the amount of the original purchase price and any accrued interest there may be. In that case it would be perfectly fair to sell the land to the farmer. You would not be putting him out of business as the minister suggested; you would be putting him in business, because he would prefer to deal with the department rather than with the speculator. He would at least know where he stood, and in a great many cases he would be getting the land a little cheaper than the amount that is against it to-day.

Mr. STEWART (Argenteuil): I am sorry, but it cannot be done.

Mr. COOTE: Is not every quarter section a separate sale? And in case a man bought ten quarter sections at one of these school sales, and is now farming three or four of these quarter sections, would he be able to turn them back under this suggested amendment?

Mr. STEWART (Argenteuil): No, he would not, I can assure you.

Mr. SPENCER: If he could not turn back those extra quarter sections, where would you put the limit?

Mr. STEWART (Argenteuil): If he is only farming one or two quarter sections, and is doing nothing with the balance but grazing them, he would not be entitled to consideration. Right off the bat I would say so.

Mr. MEIGHEN: If the member for Macleod (Mr. Coote) is right—and I fancy he is, from recollection—that each unit is a quarter section, what is the effect of the minister's amendment? The land referred to in the minister's amendment cannot be any of the land except the land in the one sale.

Mr. STEWART (Argenteuil): If he is farming the land in a good and husbandlike manner—

Mr. MEIGHEN: What land?

Mr. STEWART (Argenteuil): The land he purchased; and he has purchased twenty, ten or two sections—

Mr. MEIGHEN: Quarter sections.

Mr. STEWART (Argenteuil): Yes. But he is the owner of ten or fifteen quarter sections, and the mere fact that because the sale was made for one quarter section does not limit the action provided for by the amendment.

Mr. MEIGHEN: Suppose a man has bought ten quarter sections, does the minister mean he might actually be farming in a good and husbandlike manner the whole ten quarter sections?

Mr. STEWART (Argenteuil): No.

Mr. MEIGHEN: What does he mean? That is what he said before.

Mr. STEWART (Argenteuil): True; but surely my right hon. friend would not expect that the act would so provide? We would much rather have not touched it if that were the case and left it absolutely to the jurisdiction of the minister; but we are trying to throw some protection around the minister as to how he shall deal with these sales.

Mr. MEIGHEN: What is the meaning?

Mr. STEWART (Argenteuil): The meaning is that farming operations shall have been carried on in a good and husbandlike manner.

Mr. MEIGHEN: On how much land?

Mr. STEWART (Argenteuil): I did not put in the acreage, because if I did so it would probably nullify the effect of the whole thing. You have to leave that to the discretion of the minister. But when you ask me if I am going to cancel eight or ten quarter sections of uncultivated land for one individual, I answer, certainly not.

Mr. MEIGHEN: The minister cannot get through the maze so easily. Here he has an amendment which says that he cannot apply this relief clause unless the purchaser of, say ten quarter sections, is farming that land in a good and husbandlike manner. When I asked him what that "land" meant, he said the land bought. I do not see how it could mean anything e'se. That is, he must be farming the ten quarter sections in a good and husbandlike manner, he must be farming each of them; there is no other way to farm them; he cannot farm every acre of each of them. Under the law he will have to be farming each of these ten quarter sections.

10 p.m.

Mr. STEWART (Argenteuil): No, no; my right hon. friend has missed that.

Mr. MEIGHEN: I have not missed it. The minister told me that.

Mr. STEWART (Argenteuil): No.

Mr. MEIGHEN: The minister's answer was quite right; I have just read the amendment through. Under the amendment as he has it he would be powerless to apply the relief

unless the applicant was farming each of the quarter sections in a good and husband-like manner. Any man who is actually farming the land is not going to ask that the contract be cancelled.

Mr. STEWART (Argenteuil): My right hon. friend is wrong there. I know of at least a dozen half sections, in respect of which applications are now in the office, where 75 per cent of the lands are being farmed.

Mr. MEIGHEN: Oh, yes.

Mr. STEWART (Argenteuil): And the request comes to have the purchase price applied on the one quarter.

Mr. MEIGHEN: That is, one quarter of the half?

Mr. STEWART (Argenteuil): No, 75 per cent of the whole is being farmed, and they want to give up one quarter and apply the payments on the other. Many men who are farming on half sections owe more than the original purchase price, to say nothing of what they have paid in, and these are the real cases of hardship. It will help them out very materially if we apply the payments on the one quarter section and release them in respect to the remainder. There are not many men with eight or ten quarter sections in these days; those are mostly all cancelled.

Mr. McTAGGART: The minister is perfectly correct in his summing up of the case. I know of a man who bought a half section of school land around 1917 or 1918 and has since been farming practically the whole of it, with the exception of a little pasture. He put up substantial buildings on one quarter—house, barn, stables, granaries—and had a well dug and fencing built. At the time he bought the land there was great inflation of land values and possibly he paid too high a price; and he has been unable to keep up with the payments on the half section. So that to-day he is in the position of having made very substantial payments on the half section but of being unable to make good on the whole of his land. This legislation will enable him to release one quarter back to the department and have a chance to make good on the other quarter. This is not the only case of the kind. These men unwisely bought at an inflated value more land than they could handle, and they now find that after two or three years labour they are faced with the loss of everything because they cannot make good their payments.

Mr. CAMPBELL: The minister stated that the suggestions I made to him could not be carried out. I am quite aware that they could not be carried out in connection with school lands, but I was speaking in a general way of all government land. As a matter of fact I had particular reference to Indian land, of which the department can make direct sales after the original purchase has been cancelled. That is really what I had in mind, and perhaps I should have explained that to the minister. There is an enormous amount of land under the control of the Indian department which was sold to speculators, the payments having been in arrears, in some cases only the original payments having been made.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

SUPPLY

TRADE AND COMMERCE

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

Trade and Commerce—Dominion Bureau of Statistics (including western census), $125,000.

Mr. MANION: I notice that there is a decrease of $75,000. It is so rare a thing I would like to have an explanation.

Hon. T. A. LOW (Minister of Trade and Commerce): It is because a large number of census clerks employed in connection with the 1921 census are no longer required.

Mr. MEIGHEN: They have not been kept on until now, have they?

Mr. LOW: Yes, it takes time to complete the work.

Mr. HANSON: When will the remaining volumes of the census report be available?

Mr. LOW: Three more volumes will be available this year. The remainder will be published next year.

Mr. GARLAND (Bow River): Does the minister say that the work of compiling the census statistics is about completed?

Mr. LOW: The work of concluding the compilation is going on.

Mr. CASGRAIN: Will the reports be published in French at the same time as in English?

Mr. LOW: Yes.

Mr. MANION: How many employees are there in the Bureau of Statistics?

Mr. LOW: They come under the civil government estimate, not under this one.

Mr. HANSON: What particular items does this deal with?

Mr. LOW: This is for the outside staff. It is to provide for salaries of temporary employees, printing and stationery, criminal and vital statistics, travelling expenses of the Dominion statistician and his staff, freight and express, telephones and telegrams, newspapers and periodicals, machine rentals and repairs, and contingencies.

Mr. HANSON: What permanent staff has the Bureau of Statistics outside of Ottawa? I thought they were all localized here.

Mr. LOW: There is no permanent staff outside of Ottawa. We have to have a considerable outside staff, of course, for the decennial census.

Mr. HANSON: Those are just enumerators. I understood the minister to say that this did not cover the salaries of the staff here in Ottawa. They would come under civil government. What salaries, if any, are paid out of this vote outside of Ottawa?

Mr. LOW: This includes the salaries of the temporary clerks employed in connection with the census, but these clerks are all gone now.

Mr. HANSON: If they are all out, why vote this? What makes up the $125,000? Does it include anything for salaries for staff, and if so, where is the staff located?

Mr. LOW: As I said before this vote is to provide for the salaries for temporary employees, printing and stationery, criminal and vital statistics, travelling expenses of the Dominion statistician and his staff, freight and express, telephones and telegrams, newspapers and periodicals, machine rentals and repairs, and contingencies. It covers the salaries of temporary employees.

Mr. MANION: What salaries are paid in addition to this for the permanent employees?

Mr. LOW: If my hon. friend will turn to page 103 of the Estimates, he will find the items scattered over the whole page. They are so placed in accordance with the Auditor General's requirements.

Mr. MANION: Yes, I saw that. I did not wish to take up the minister's time, but I was curious to know how much in addition to this $125,000 there was paid. Page 103 takes in the whole department, and it does not give the Statistics branch separately. I am not in any way critical of the Statistics branch; I am one of the boosters for it, I always like to say a good word for it, because you can always get reliable information on very short order there. At the same time, I would like to know what salaries in addition to this $125,000 are paid in that branch.

[Mr. Manion.]

Mr. LOW: I am sorry my deputy has not the figures with him.

Mr. HANSON: Has the minister had any criticism lately with respect to the multiplicity of returns that merchants, manufacturers and others are required to make to the Statistics branch? I have had a good many complaints from business men of the large number and great variety of returns that are required of them from time to time by this department, so much so that many of them have complained of it as a perfect nuisance. I quite appreciate that the Statistics branch is an important one; it is important that we should have statistics, but when it is carried to such an extent as has been complained of to me, then I think there is such a thing as overdoing it. I spoke about this last year, and I should like to know how the matter stands.

Mr. LOW: I quite agree that there is sometimes ground for complaint, but it is only occasionally that those who are called upon to make returns object. As a matter of fact, before I was in the House I remember objecting myself. I used to think it was a waste of time supplying all the details that were requested. However, they serve a useful and valuable purpose, and I do not think there are many industries which would care to have any of this work dropped.

Mr. ANDERSON: What is included in this vote for the western census?

Mr. LOW: The census of population and agriculture in the provinces of Manitoba, Saskatchewan and Alberta will be taken by the bureau in the month of June, 1926, on a date fixed by the Governor in Council, and every tenth year thereafter. That is the clause in the act governing the taking of the western census.

Mr. HANSON: Then why vote the money this year?

Mr. LOW: We have to start it this fall.

Mr. ANDERSON: Are they going to take the census next year in the western provinces?

Mr. LOW: Yes.

Mr. HANSON: What is the idea?

Mr. LOW: That is in accordance with the act, from which I have just quoted.

Mr. HANSON: When was the law passed?

Mr. CRERAR: Years ago.

Mr. GARLAND (Bow River): With what success has the merging of the different statistical branches into a central bureau been effected?

Mr. LOW: We are gradually working towards centralization.

Mr. GARLAND (Bow River): It is not yet completed?

Mr. LOW: No.

Mr. ANDERSON: What amount of this vote goes towards paying for the western census that is to be taken?

Mr. LOW: It is impossible to say definitely, but it will come out of this vote.

Mr. HANSON: Do I understand that for the purposes of the subsidies to the three prairie provinces, the western census is taken every five years? Is this part of the agreement under which they became provinces? Is that the act the minister has in mind?

Mr. LOW: The census for the whole Dominion is taken every ten years, but a census of population and agriculture, only, in the three western provinces is taken every five years.

Mr. HANSON: It has nothing to do with the subsidies?

Mr. LOW: Nothing whatever.

Mr. ANDERSON: When was the last census taken? It was in 1921, was it not?

Mr. LOW: The 1921 census was a census of the whole Dominion, and included everything.

Mr. BROWN: It takes the two to fulfil the whole purpose. We have a quinquennial census in the west. The Dominion census covers one period, and the census of population and agriculture covers the other, so we have a quinquennial census for the three western provinces.

Mr. HANSON: Has it any relation to the subsidies paid to the three western provinces by the Dominion?

Mr. LOW: None whatever.

Mr. BROWN: Oh yes.

Mr. HANSON: The minister says no.

Mr. LOW: My deputy informs me that the subsidy is based on the population in those provinces.

Mr. HANSON: Then the subsidy to the three western provinces is changed every five years, instead of every ten. Why is the distinction made between the three western provinces and the other provinces? I am asking just for information.

Mr. GRAHAM: Would the reason be that the west is a new country, rapidly growing in population and it would be unfair possibly to those three provinces to keep them down to a decennial census? Would we profit any in the older provinces by having the census taken oftener?

Mr. HANSON: Personally, I would like to see a census taken of the old provinces. We would know how many people we have lost since the government came into power.

Mr. GRAHAM: You would not be afraid of that.

Mr. GARLAND (Bow River): I can readily understand some of the objections taken by hon. members to my right to sending in the returns required by the bureau. I will not readily forget an objection of my own in the early days before I learned the value of statistics. I happened to be one of the unfortunate crop reporters, and when during my early days in western Canada I received the forms to fill in, I took care to fill them in with a booster's mind. Everything looked glowing and extremely good, and so no return I made could have reflected accurately the general conditions of that country. Later on I began to realize that we possibly had some enemies—well perhaps not exactly enemies, but people who liked to make a living off what we raised—and the thought began to grow in my mind, if I give them this information it will simply enable them to steal a little more from us; so that I began to change absolutely the nature of the report I was making, until it was the very opposite of optimistic. However, I am glad to say that today I am beginning to realize the immense value of statistics, and therefore I notice with considerable regret the serious cut in the estimates. I do not think we have a more important department than the Bureau of Statistics. I do not think there is one single department of the government to which the government as a whole always look for guidance in its progress forward or for indication of what retrograde steps may have been taken.

An hon. MEMBER: Hear, hear.

Mr. GARLAND (Bow River): I am glad I have one supporter when I make that statement. It is very seldom I take exception

to a reduction in the estimates. It is therefore with a full realization of the responsibility in this case that I do take serious objection to this reduction, especially as it is an enormous one. It is the largest single reduction in the Department of Trade and Commerce, a reduction of $75,000. The reduction amounts to almost half of the amount voted last year, but the minister states that the compilation of the census figures is practically complete. May I suggest that the department has a great and steadily growing work to perform? Every country in the world recognizes that feature. My hon. friends to my right have tried to impress upon the government that in the United States tremendous strides for economy are being attempted, and that in their general budget they have reduced their estimates by about a billion dollars. May I point out however that they have increased their vote for this work? In Japan and also in Germany, this work is expanding. Germany has realized, as no other country has, the importance of the statistical barometer that can be developed by the proper use of statistics to indicate just how trade should expand or be contracted as the case may be. I think too many hon. members seem to regard this matter as a sort of joke, but after all the joke will be turned round the other way. One gentleman said that the joke has been on those who believe in statistics, statistics, and lies; but in a little while the joke will be on those who do not use the statistics. I think if this government realizes its responsibility in this matter it will not cut this vote. Although the work of the census may be practically completed, there is an enormous amount of work yet to be done. I should like to point out to the minister that in the last report made by the Dominion Statistician, he pointed this out. For example, in connection with the statistics of Immigration we have no information whatever in this country. We do not know how many people we are losing. We have to guess at it or rely on the figures given by the United States. There is no accurate taking of a return of the emigration from this country and the figures that we get in the returns from other countries are challenged by this government or by the department; but they have no evidence to produce to set off against these returns except the fact that perhaps some Canadians are coming back. Those coming in here are counted, but the emigration figures are very incomplete.

Certain improvements were recommended in compiling navigation statistics but I doubt if they have become effective. Some improvements were recommended in the reports which were furnished respecting trade, but I would especially call the attention of the minister to the Income Tax branch and urge that the data which is brought together there should be correlated with that of the bureau. I do not think any more important work than that can be undertaken. When we try to find the actual income of farmers, we cannot do it, but we can find in the Year Book the net return of the manufacturers. We cannot get comparative figures with regard to agriculture. It is my belief that the agricultural feature of the bureau has been seriously neglected. I do not think that we have enough expert help in that division. We may have a sufficient clerical staff, but I think we should have one or two young men who, anxious to go forward in this work, will be ready to step into the places of the older ones when the time comes. Of the older ones the best is I think Mr. Godfrey who will have to retire, on account of his age, within a period of two or three years. I would strongly recommend the minister to take this matter into consideration, and I would be willing to support a vote in the supplementary estimates, if the minister thinks, after consideration of the matter, that this vote should be implemented.

We have no satisfactory statistics of civil justice, or very few. They are quite incomplete.

In conclusion, I do not think there is a more valuable book on which we can base accurate estimates as to the condition of the country, the trade and the future than the Canada Year Book. I think it is a splendid piece of work, well done. There are those in this House who say statistics are a joke. They have spoken to me in that way and have stated that statistics are the toys of faddists propagated by those who wish to send their theories broadcast on every occasion. I should like to call their attention to the words of men like Lord Reading and Lord Milner. In the official report on the government of South Africa, Lord Milner said:

> No one can have followed the account of the functions of government without feeling how complicated and scientific its business is, even in a new country—

Such as Canada is.

> —with a small population. Great issues hang upon the judgment of those who guide its policy just as the safety of a ship depends upon the navigating officer. The captain does not guide his ship by guess work or intuition.
>
> The navigation of a ship is a good example of scientific administration. A bank, a railway, an army, a mining group, must each be equipped with an intelligence department whose duty it is to collect and

tabulate facts and figures (which are merely the most concentrated expression of facts) and to deduce correct conclusions from them. Much of the information upon which governments act should be prepared for them in the same way by their statistical offices. As in the navigation of a ship nothing should be left to guesswork that can be discovered by accurate observation and the comparison of measured results, so it shou'd be in matters of state. The policy of government ought to be based so far as is possible on information collected and prepared on the most scientific lines.

I could go on quoting many others, like Emile Levasseur, an eminent French economist, S.N.D. North, De Bray and many other eminent men, whose judgment certainly ought to be regarded with some confidence by those who sit in this House. I would conclude by asking the minister, in view of the fact that we hope to have a constantly growing and expanding country with an ever increasing population and various social and economic problems, to take into consideration again the possibility of increasing this vote.

Mr. SPENCER: Is this cut taken entirely from the amount that was used for the census, or will it reduce the staff of the bureau at all?

Mr. LOW: It is confined entirely to the census.

Mr. MEIGHEN: How many clerks are being taken off the census?

Mr. LOW: They have all gone but nine.

Mr. MEIGHEN: When did they go?

Mr. LOW: They have been dropped each year.

Mr. MEIGHEN: How does the minister explain a reduction of $75,000 by dropping those nine? They must have been pretty well paid clerks.

Mr. LOW: I said that there were only nine left. There are a number of other items.

Mr. MEIGHEN: How many were left a year ago?

Mr. LOW: There were 188 at the end of the fiscal year, 1923-24.

Mr. MEIGHEN: Were those dropped at that time?

Mr. LOW: No. They were employed originally for three years under the act. They were let out from month to month as they were not required. There are only nine left at the present time.

Mr. HANSON: Are these employees absorbed into other departments, or do they leave the public service? If any are drafted into other departments, how many?

Mr. LOW: Some of the temporaries may receive employment in other departments. They are not debarred from applying to other departments for employment.

Mr. ANDERSON: I think in Ontario the provincial government takes a census every year with regard to agriculture and some of the other provinces do the same. Do the governments of the prairie provinces not issue their own statistics with regard to agriculture?

Mr. LOW: The governments of the western provinces do much the same as the governments of the older provinces. This department works as much as possible with the different provincial governments in the collection of these statistics in order to avoid duplication.

Mr. ANDERSON: Do I understand the minister to say this is a duplication of the work, or is the Dominion government working in harmony with and getting their statistics from the provincial governments?

Mr. LOW: We try to work in harmony as far as possible with the governments.

Mr. ANDERSON: Can the minister say how much of this vote is for the Dominion part of the census in Saskatchewan, for instance?

Mr. LOW: It is impossible just at this moment to say how much.

Mr. CAMPBELL: I notice in the Auditor General's report for 1923-24, total expenditure in the Bureau of Statistics was $257,000, and the total amount for the sixth census was $159,000. That would leave approximately a net amount of $100,000 chargeable to the Bureau of Statistics. In that case this would not mean any reduction in the service. Can the minister state if that is so?

Mr. LOW: I do not follow my hon. friend. There is no reduction at all in the permanent service. The reduction is due entirely to the census, as I said before.

Mr. MEIGHEN: I do not presume anybody is getting the idea that the minister is really cutting down the staff of his department.

Mr. LOW: We cut it down last year.

Mr. MEIGHEN: Very little. I notice that the minister still has, as appears on page 104 of the estimates, 294 clerks. He had 296 last year. Therefore, even if he loses on the statistical end of his work, he is making it up very readily on the rest of it. He is keeping up the show anyway. He has made

up his mind that if there is to be any contraction, it is going to be in the enumeration expenses. There will be nothing unnecessary spent in order to let the public know the facts. He has more statistical clerks than he ever had. He has 56 now where he had 55 last year and he has 41 junior statistical clerks where he had 38 last year. I really do not think he has made much of a reduction. I am inclined to suspect he is cutting out some of the services in the statistical branch, some of the other work of the department. I do not know what it can be. He seems to be getting rid of the money as before, but saving it in the statistics. Just what service he is cutting out, it would be interesting to discover.

Mr. LOW: In 1921-22 there were 405 employees engaged in the work of the census; in 1922-23, 577, and in 1923-24, 364. As I said before, the number of employees has been worked down to nine at the present time. On the work of the census there was spent the following amounts:

1921-22..	$1,664,088
1922-23..	259,148
1923-24..	158,015
For the ten months ended January 31, 1925..	40,304

Mr. STEVENS: How much in the last fiscal year?

Mr. LOW: We have not the figures for the fiscal year.

Mr. MEIGHEN: Surely my hon. friend has the figures for the fiscal year. That is published.

Mr. LOW: They have not been brought up to the end of March yet.

Mr. MEIGHEN: If the minister looks at the ten-day statements issued by the Department of Finance, he will find the figures for the fiscal year issued at least three weeks ago.

Mr. LOW: The figures I have were prepared in accordance with the usual custom, and the whole estimates would have to be re-prepared. We always bring down the figures showing the ten months. If my right hon. friend has the information, he might give it.

Mr. MEIGHEN: I have it upstairs, but I thought the minister would have it here as we are discussing his estimates.

Mr. LOW: My right hon. friend always wants something that we do not have.

[Mr. Meighen.]

Mr. MEIGHEN: The minister apparently is just through with the 1921 census now. He was not in the House when in 1921 his party insisted upon the completion of the census that year and roundly abused us because we suggested it might run into 1922. He is now proclaiming that he is closing it up in 1925, about in time to start the semi-decennial census of 1926, which must take place in western Canada. It is quite right that the census clerks should be taken off; they should have been off last year or the year before. But my worry is this: I am anxious that the general service of the statistical branch itself be not curtailed, that is in any serious respect. I should like to know in what respect there is any curtailment in the census branch. To what extent does the minister intend making reductions, if any?

Mr. LOW: I have no further reductions in mind at the moment.

Mr. GARLAND (Bow River): The minister said a moment ago in answer to a question of mine that the co-ordination of the various departments for statistical purposes was not completed. What is lacking? What departments are not yet completely under the bureau?

Mr. LOW: Some of the other departments have statistical branches and it is hoped through time that all these will be centralized within the Department of Trade and Commerce.

Mr. GARLAND (Bow River): Which of them are not now under the control of that department?

Mr. LOW: The Departments of Labour, Customs and the Interior.

Mr. MEIGHEN: I am mystified by the whole proceedings. If the minister will look at page 103 he will find all the clerks of his department. He says now that he is cutting off $75,000 because of a reduction in the number of clerks owing to the closing up of the census statistics of 1921. I fail to see where he is cutting off any statistical clerks.

Mr. LOW: Those are all under civil government.

Mr. MEIGHEN: I know.

Mr. LOW: They are not under discussion at the moment.

Mr. MEIGHEN: Are not the statistical clerks under civil government?

Mr. LOW: The temporary census clerks whom we are letting out are not included in the civil government vote.

Mr. GARLAND (Bow River): If the minister, in answer to the objections that are raised to the reduction in the vote, is stating that it is because of a reduction in the number of servants employed, how can he ask us to withhold examination until some other occasion and pass this vote in the meantime?

Mr. LOW: I have endeavoured to clear up the situation. I have been asked how the reduction is made up and I have told the committee that the reduction in the temporary census clerks accounts for it.

Mr. MEIGHEN: What is included in the item of $125,000 that is not included in the civil government?

Mr. LOW: I have stated two or three times what that $125,000 is supposed to cover, but I shall read it again for the benefit of my right hon. friend. It is to provide for salaries of temporary employees, criminal and vital statistics, travelling expenses of the Dominion statistician and his staff, freight and express, telephones and telegrams, newspapers and periodicals, rental of machines and repairs, and contingencies.

Mr. STEVENS: Does this vote of $125,000 represent all the costs of the Bureau of Statistics?

Mr. LOW: The civil government vote is not included in this at all.

Mr. STEVENS: The minister last year said that in ten months he had spent $40,000. Is that right?

Mr. LOW: Yes, on the census.

Mr. STEVENS: How much was spent of the $200,000?

Mr. LOW: Last year? Does my hon. friend mean in the whole bureau?

Mr. STEVENS: I mean out of the $200,000 voted for 1924-25.

Mr. LOW: For the ten months ending January 31, 1925 the following sums were spent:

Salaries	$15,181 42
Printing and stationery	26,992 92
Criminal and vital statistics	13,960 32
Travelling	626 74
Freight and express	214 77
Telephones and telegrams	935 20
Machine rentals and repairs	4,374 50
Sundries	1,826 05
Total	$64,111 92
Salaries for the sixth census	$36,131 17
Sundries	3,924 92

This makes a grand total of $104,168.01 for the ten months. And in the previous fiscal year ending March 31, 1924, under the same headings, the total was $257,096.74.

Mr. HANSON: What is the total cost to the country per annum of the Bureau of Statistics including the salaries under civil government?

Mr. LOW: About $375,000.

Mr. STEVENS: As a matter of fact, last year out of the $200,000 voted the minister would spend about $125,000. He says he spent $104,000 for ten months; for twelve months it would be about $125,000.

Mr. LOW: Yes, without civil government.

Mr. STEVENS: Out of this vote of $200,000. So that the vote of $125,000 this year represents approximately the same amount as he actually expended in the previous year. Am I right in that?

Mr. LOW: Yes; but we have to prepare for the 1926 census.

Mr. STEVENS: What we are trying to get at is how many individuals are included in the salary expenditure last year of $125,000.

Mr. LOW: I suppose my hon. friend as a former minister of the department knows that in this vote only temporaries are included. In the early part of the year we had quite a number, but the staff has been very much reduced on account of the completion of the work in connection with the last census.

Mr. STEVENS: Why cannot the minister tell us what that reduction is?

Mr. LOW: At the end of 1924 we had 188 persons engaged on the census; now there are only 9. My hon. friend was not in his seat when I made that statement earlier in the evening.

Mr. CAMPBELL: I find it very difficult to understand the figures quoted by the minister. The Auditor General's report shows the total expenditure on the Bureau of Statistics as $259,000, from which has to be deducted $159,000 for the census, leaving approximately $100,000. This evidently does not include the item of $50,000 for salaries. How is that $175,000 made up?

Mr. LOW: The statistician informs me that the $250,000 is made up of salaries, which are included under civil government, and the $125,000 item that is now under consideration.

Mr. CAMPBELL: I think these items should be put in a way to be easily understood. Naturally one would conclude from this that $125,000 was the total cost of the bureau. I am not complaining, I think the bureau is worth every dollar it costs, perhaps even a little more, for it is one of the most valuable of our government departments; but it is impossible to understand just what the bureau does cost even after consulting both the Auditor General's report and the estimates.

Mr. STEVENS: We recognize, Mr. Chairman, that the expenditure on the census should naturally have diminished to its present point probably before this. It has been the desire of parliament for many years to bring the compilation of statistics for the Dominion to as efficient a condition as possible, and I think the House will agree with me that this very laudable object has been pretty well attained, for the bureau has been well administered and excellent progress has been made along this line. I would be the last one to urge the minister at this stage to increase his expenditure, but for the purpose of some show of economy in this particular branch, we should not wreck the work that has cost us a good deal to build up over the last ten years. With regard to the western census, it has of course to be taken into account in connection with this branch, but if the minister is actually sacrificing some of the service that has been rendered, we ought to know.

Mr. LOW: I do not know of any service that is being sacrificed.

Mr. STEVENS: None at all?

Mr. LOW: No.

Mr. STEVENS: I am very glad to hear that, because we certainly ought to maintain the efficiency of this branch. As I say, it deserves great credit for the manner in which it has its work handled. I confess still to some feeling of mystery about the nature of this expenditure. I cannot quite understand how the minister is maintaining the service and providing the additional expenditure for the western census this year. It may be covered by these figures in some way, but I cannot quite understand it. For instance, does the minister intend to increase the census staff this year?

Mr. LOW: It will be increased slightly.

Mr. STEVENS: Some of those discharged will be put back again?

Mr. LOW: Yes.

[Mr. Low.]

Mr. WOODSWORTH: Is the regular staff sufficiently large to draw out of the census figures all the material that is available?

Mr. LOW: As we are carrying on the work at the present time, I have no doubt that the staff is sufficient; but as the country develops we shall have to increase the personnel. As stated by my hon. friend from Mackenzie (Mr. Campbell), it is very important work, and when parliament feels that we are in a position to spend a little more money on it I shall be very glad to recommend such increase to the government and ask the House to vote it.

Mr. WOODSWORTH: Would it be possible by a larger regular expenditure, Mr. Chairman, to obviate to any extent the decennial expenditure on the general census? It has sometimes occurred to me that just as in the old days of the small store we had to have an annual stock-taking, when everything was turned upside down, to the inconvenience of everybody, and have now passed beyond that stage in a great many establishments because by a careful system of bookkeeping we know pretty well at any moment how the business stands, so it might be possible, with a closer co-ordination of the agencies at work on vital statistics, for example, through the various municipal officials, and possibly through a larger permanent staff, if necessary, of correspondents in different sections of the country, to collect annually a great deal of this information and have it available from year to year instead of gathering it every ten years?

Mr. LOW: I think my hon. friend will find that although the modern method of bookkeeping of which he speaks is very satisfactory for ascertaining the position of a business from month to month, yet all firms of any importance continue to take a physical inventory at the end of the year. While we may make an estimate from year to year as to population and other matters, I do not think it would be wise to dispense with the decennial census.

Mr. ANDERSON: Mr. Chairman, I am not opposing the vote, but I am trying to get a clear idea of what the semi-decennial census in the western provinces means. I can hardly see its necessity, since the provinces themselves take a census nearly every year, and their figures should be available to the federal department. How often do the western provinces take that census, and why is it necessary for the federal government to take a census in the western provinces and not in the others?

Mr. LOW: The taking of the census is required by the act that brought these provinces into existence.

Mr. ANDERSON: Is the census taken by the provinces themselves not available to the federal government?

Mr. LOW: There is no census taken by the provinces; they are only estimates.

Mr. MEIGHEN: I think both ministers have missed the real reason of the semi-decennial census in the west. The west not only gets a regular subsidy but is entitled also under the autonomy bills to a special subsidy in lieu of lands, and accepted that subsidy and yielded the lands on the terms, which amounted to contractual terms, that the census upon which the subsidy was based should be taken every five years.

Mr. LOW: That is right.

Mr. FORKE: If I remember correctly, the municipal clerks send in returns each year to the provincial authorities, and the provinces may base their estimate upon those returns. The information is not exact, but it is fairly correct.

Mr. MEIGHEN: You could not expect the Dominion government which pays a subsidy to do so on the basis of a census fixed by the provinces.

Mr. FORKE: I understand that, of course. I was simply referring to the method followed in the provinces.

Mr. GARLAND (Bow River): I notice in the only report concerning this matter that is available, dated 1922, that on page 9 reference is made to certain organizations that had not been completed. For example, with regard to "migration" it states:

> The statistics of immigration and emigration are incomplete and out of correlation with the census and vital statistics.

Then we have reference to "navigation" as also incomplete; "imports and exports," incomplete; "trading operations," incomplete; "public finance," need for further organization of statistics; "income," need for correlation with the data of the bureau; "private finance," statistics require remodelling; "civil justice," no statistics exist—and so on. The issue of a monthly review of Canadian statistics is suggested, with the idea of making a monthly barometric forecast of the current economic trend. Has any progress been made in connection with these matters of organization, and if so, will the reduction in this vote impede the development that is suggested here as desirable?

Mr. LOW: The statistician informs me that some progress is being made; that in the matter of trading operations and migration there has been considerable progress.

Mr. HANSON: I understood the minister to say there were other departments of government that compiled statistics. I think the country should have some idea of what is the total cost of collecting these statistics. I fancy it is not less than half a million dollars a year, which is quite enough for a country like Canada.

Mr. LOW: My hon. friend is in just as good a position as I am to make an estimate. All these items come up under supply to other departments and he can get them under the different headings.

Mr. HANSON: There is so much duplication, not only in the matter of statistics, but in surveying and a dozen other activities that might be mentioned, that it is really difficult to tell exactly what these services cost the country. The sooner the minister gets busy and puts all these different statistical branches under one bureau, the sooner he will get more efficient work. The cost of government is very materially increased by this duplication of services. Especially is that true in respect to the matter of surveying.

Mr. MEIGHEN: Does the minister know whether the Labour department is still fussing away with its little statistics?

Mr. LOW: I included Labour in the list I gave a moment ago; Labour, Interior, and Customs. But the statistical work is being eliminated gradually from other departments, and we hope in time, to have them all under the Department of Trade and Commerce. Whether or not my colleagues will agree with me in that time will tell.

Mr. MEIGHEN: Perhaps the Minister of Labour finds it hard to get anything to do.

Mr. LOW: Things are so peaceful.

Mr. MEIGHEN: Yes, they are very peaceful. I observe that in all parts of Canada there is considerable in the nature of death, but there is a lot in the nature of war, too. Really it is foolishness to run this statistical branch in the Labour department. The minister will remember that last year I read a letter from the head of the Labour department questioning an official as to where in the world he got his statistics, and the reply was that he got them from the statistical branch of the Dominion government. Evidently the Labour department did not know that such a branch existed.

Mr. GARLAND (Bow River): The minister answered my question of a moment ago by saying that a little progress had been made in regard to migration and trading statistics and some progress in the rest. That simply confirms my opinion that work is being neglected that might be gone on with and the reduction in this vote is hardly justified.

Item agreed to.

Electricity and gas inspection—	
Salaries of staff..	$137,055
Travelling expenses of the Director, staff at Ottawa, district inspectors, and inspectors; purchase and repairs of instruments; upkeep of equipment and contingencies..	43,340
Export of electrical power..	500
International Electro-technical Commission.	400
	$181,295

Mr. STEVENS: Would the minister tell us how much electric power was exported last year; how much of it was exported by companies under annual license and how much under long term contract; the length of the contracts under which the export is made, and what are the remaining unexpired terms? I shall be glad to get this information by provinces.

Mr. LOW: There is no information as to the quantity contracted for by each individual corporation in the United States. Sometimes the term of the contract is a long one, sometimes a short one. The list of exporting companies, with the amounts in kilowatts for which licenses were issued for 1924-25, is as follows: Hydro Electric Power Commission of Ontario, 80,000; Canadian Niagara Power Company, 45,000; Ontario and Minnesota Power Company, 3,000.

Mr. MEIGHEN: The first two are the same.

Mr. LOW: Yes, I think the Canadian Niagara Power Company was taken over by the Hydro Electric Power Company. Then, there is the International Railway Company of Niagara Falls, 200; Maine and New Brunswick Electric Power Company, 2,500; Sherbrooke Railway and Power Company, 100; Cedar Rapids Manufacturing and Power Company, 75,000; Western Power Company of Canada, 10,000; British Columbia Electric Railway 5,000; West Kootenay Power and Light Company, 1,500; Bridge River Power Company, Vancouver, 28,000.

Mr. STEVENS: Did the minister say the Bridge River Power Company?

Mr. LOW: The Bridge River Power Company applied for and received a license to export 28,000 kilowatts.

[Mr. Meighen.]

Mr. STEVENS: They have not got a plant yet.

Mr. LOW: They applied for the license and paid the fee.

Mr. STEVENS: This is rather a serious thing. I am quite certain that the Bridge River Power Company have no plant. I am certainly very derelict in my duty in attending to the development in my province if they have. Why should a company without a plant to export get a license to export 28,000 kilowatts? Does the minister give a license to a firm that has not got power to export?

Mr. LOW: My deputy informs me they complied with the law. I do not know whether the application was renewed this year, but they made application last year for a license and complied with the law.

Mr. STEVENS: I am going to ask the minister if he would be good enough to lay on the table a full copy of the correspondence and the license in regard to it.

Mr. LOW: I shall be very glad to comply with that request.

Mr. STEVENS: That brings me to this very important question, and that is the export of power. This would indicate—and I wish the Prime Minister and other ministers would take note of this; I do not say it in any critical sense at all, I am very earnest about it—this would indicate what naturally a person looking purely for monetary advantage will tend to do, that is, to secure some privilege or right, then make contracts on the other side for the sale of that power. Here is a firm, for instance, that I am certain has no plant at all. They apply for and receive a license as if they were going to export. Naturally the only assumption you can make is that they then go to the other side of the line and make contracts for the purchase of power, then come back here and say to financiers: "We have a license to export, we have contracts on the other side for the purchase of power, and now we want financing for the erection or completion of a plant." Now what does that mean? It means the gradual establishment south of the line of a vested right in the power, of a contractual character. I want to say to the government this: In my estimation, if we allow this process to go on, the result is going to be that there will be established in certain places south of the line factories, and small towns built up around those factories, with certain vested interests there dependent upon the receipt of this power, which they

will claim later on was contracted for in perfect good faith. Then it will become a question of dispute between the two governments as to whether or not that power can be cut off.

I am going to repeat what I said in the budget debate. Power ought to be looked upon as an implement, a tool, and not as a product, and I think we should serve notice to the world that we expect persons who want our power to put their factory beside the power. That is what I think we ought to do. I will admit that if you can eliminate altogether all danger of the establishment of a vested right, then perhaps when you have a surplus of power during the period of development in this country, it is not a bad thing to sell power; I am not disputing that. But let us take this Carillon development, this big concern that desires a power development contiguous to this district. What is the desire there? The desire is to establish on a hydro-electric site a big power plant, ostensibly and deliberately with the intention of exporting power from that plant. The whole undertaking has that in mind. Now if the government say to the Carillon Power Company just as they have said to the Bridge River Company: "Yes, we will give you a license to export," and then the company go on and put in what they represent as $25,000,000 or something of that kind, secure $25,000,000 or $30,000,000 of American capital and invest it in that plant; and then they commence to export. A little later on, perhaps five years from now, the people of Ontario and Quebec will say: "We want power." There comes a big demand for power, and the price of power goes up. They turn to the Carillon Power Company and say: "You are exporting all your power. Why not sell some in Canada?" "Oh," they will say, "we got this power five years ago from the Dominion government with the distinct understanding that we were going to export. It is true the license was to be renewed from year to year, but the government and the people of Canada knew this power was for export purposes." Then they will point to the vested rights south of the line that have been established because of that right to export.

I want to warn the government, and warn the country, that this whole policy that is gradually growing up and becoming established ought in my estimation to be abandoned. I think the world ought to be informed that so far as Canada is concerned, hydro-electric power is looked upon as an implement or tool for the purpose of serving the factories of Canada, and that we invite industries to come to the power; but we warn them we are not going to adopt or follow a policy of exporting power to industries in a foreign country.

Take the export of power on the Pacific coast. There are two companies, now one —the Western Canada Power and the B.C. Electric, two most estimable companies; I am not criticizing them at all. They are exporting power. Then here is the Bridge River Company coming along, desirous of promoting a plant, and within a very few years, with the expansion clearly in sight in that country, there will be a demand for all the power that can be obtained. Take Vancouver City, which is dependent on the B.C. Electric and the Western Canada Power Company at the present time. I venture to say that the expansion of the city of Vancouver continuing in the ratio of the last five years will result inside of ten years in the absorption of all the power available at the present time. Now supposing at the end of ten years, or even five years, this increase is commensurate with what I have intimated; what is going to result? The B.C. Electric and the Western Canada Power Company are bound to say: "The price must go up. We cannot supply our customers south of the line with whom we have contracts, and we cannot increase the sale here. We have a demand for all the power we can produce." Then what will be the result? The retarding of the development of industry on the Canadian side. On the other hand, if we discourage the export of this power, then there would be evidence on the part of Canadian hydro-power companies to develop industries in the neighbourhood in order to take all the power they could develop. In other words, you put pressure on the development of industry in Canada, whereas under the present policy we are virtually putting a premium on the export of power, and a retarding influence upon the development of industry in Canada.

I do not desire to delay the committee at any length because it is late, but I want to make myself abundantly clear. I consider this question of the export of power, if not the most important, one of the most important questions before parliament to-day or that has been before parliament this year or last year or for many years. I believe in its effect in the future it will be found to have far greater significance than we at the present time dream of. I saw a statement the other day which I cannot quote exactly, intimating however that we could not absorb the power that is possible of development in Canada over long periods of years.

On the other hand, I am advised by those who understand the business—and I had hoped to have here to-night definite data on this, but I have not—that in a definite period of time, some ten or fifteen years, or some twenty years, we will, in Ontario and Quebec, reach the limit of power. That is making a very broad statement and I was surprised to hear it. It is not my statement, but it was made to me by engineers who have studied the question for years,—that we are in sight, as it were, of the maximum power development. That is a very serious thing, because after all electrical power in factories is comparatively new. It is not looked upon as such an old factor as to be even yet beyond the point of almost experiment, at least not far beyond that point. So that when we hear these statements I think it behooves the government of Canada to be very, very careful. Notice should be served at once on all these companies the minister has cited that they must not consider these licenses as in any sense constituting a guarantee that they would be continued next year, or at any future time, with of course the exception of those that are under contract under some regulations of the past, and I understand there are only a very few small contracts existing.

Mr. LOW: I suppose my hon. friend knows there is no guarantee given beyond the year.

Mr. STEVENS: Yes, I know there is no positive guarantee, but I have been trying to point out to the minister—and I hope he will not think I am doing it in a critical spirit—that it is a question which has obtruded itself on parliament this session. But I come back to the Carillon case, and I tell my hon. friend now that if this government were to give to the Carillon Power Company a license to export, as he has done the Bridge River Company, on the strength of that contracts would be made south of the line, $25,000,000 of capital would be supplied, the plant would be established on that understanding, and then later on the Carillon Power Company would say to this government or its successor, "Why, we advised you at the time, you knew what we were doing and here is a vested interest." The government of the United States would probably take the same view. It would become immediately a matter between the governments, and I think we know from a study of history that the moment a thing becomes a matter between governments it is very difficult of solution or of being easily unravelled. Regarding the Carillon Power Company, I think the Dominion of Canada should hesitate—not only hesitate, but I think should refuse—to be tied in any sense by any inferential guarantee, not a definite written guarantee but an inferential guarantee, to the Carillon Power Company or any other company, and that they should do more than that, and should serve notice on the world that these annual licenses are in every sense of the term temporary licenses, and that the purpose of Canada in the future is to retain the power for the development of Canadian industry.

Mr. MACLEAN (York): I had a letter to-day from the mayor of Toronto drawing my attention to this matter. He said that he had protested to the government in regard to certain contracts that had been made in the past in connection with hydro-electric development and in which a lot of the municipalities of Ontario were interested, and that the consequence of this export duty on power going out of the country would be to put a load on the municipalities which have gone into the business and let the contracts in the past to American companies at a very low rate. They have a proposition before the government now, I understand, that they at least be relieved from the export tax by reason of these contracts made some years ago, and in regard to that I should like to know whether the government has any intention of taking into consideration the protest of Toronto and associated municipalities in this matter. I agree with what the hon. member for Vancouver Centre (Mr. Stevens) has stated, and I want to say that the Hydro-Electric has now under consideration the establishment of a large steam plant in Toronto for the generation of power to supplement the production of hydro electric power.

Mr. STEVENS: Ten million dollars.

Mr. MACLEAN (York): Yes, ten million dollars. That is going on in other directions, and there is a great famine of power in almost immediate prospect. I spoke on this question the other day, and I said, "Our greatest resource to-day is the generation of power on our great rivers north to the Hudson bay slope". They will probably jointly produce millions of horse-power. Science is going ahead so rapidly in the way of high tension wires and long distance transmission, the products of those rivers will be worth millions and millions to us, and we ought to start now and say that not one kilowatt of that power shall go out of the country if it can be kept here. It might be an immense source of revenue. If we have a transporta-

tion problem ahead of us, as apparently we have, and the cost of transportation is a most vital matter in connection with industry, we ought to keep that power for transmission purposes and not let it go out of the country. That would be the solution of this tremendous problem more than anything else. I say to my hon. friends from the west that they ought to put in a protest now if they wish to keep down transportation charges. But if we start now and make commitments in which Americans will be interested and will be able to go to their government and allege unfair treatment on the part of Canada, we will be embroiled with the American people, and the firms which make the contracts, so that I join with my hon. friend from Vancouver Centre in saying we should call a halt now and that there should be no commitment in regard to any of the privileges. I ask the Prime Minister (Mr. Mackenzie King) if he has heard of the protest made by the city of Toronto that this export tax should not apply to them in connection with the contracts made years ago with the Hydro-Electric. If we do as I have suggested we will get a new national policy in this country in connection with power. The greatest asset we have to-day is the immense power we have in our country, and if we sit quietly by, those who see the large profits in exporting it, will be laying plans to get control of it, and they will entrench themselves so that it will be very hard to dislodge them.

I again urge on the government—and I hope our friends from the west will make the same appeal to them—to call a halt in connection with the export of something which we have got which is limited in quantity, because it will pass out of our hands if we do not guard ourselves.

Mr. FORKE: Without any invitation from my hon. friend from South York (Mr. Maclean) I intend to say a few words on this matter. I listened to the hon. member for Vancouver Centre, and it seems to me the arguments he advanced are worthy of the most serious consideration on the part of the minister. I can easily see how, by our exporting power, large factories being built and villages and towns growing up around those factories in the future, this may become, as has already been said, an international question. I do not think there is much danger of the prairie provinces exporting any water-power to the United States.

Mr. MACLEAN (York): That will come in five years. There is the Nelson river.

Mr. FORKE: Yes. I believe some day we shall have on the Nelson river perhaps the greatest water-power in Canada. I have been impressed by the arguments advanced by the hon. member for Vancouver Centre, and this question should be gone into very carefully in order to ensure that no vested interests are created that will cause international trouble. There is no doubt the time is coming when Canada will use all her water-power. It seems almost foolish in a way that water running down, which is of no use at the present time, which will continue to flow for all time and which is not a thing that can be used up, should not be used by some people who can take advantage of it at the present time. Still, the argument has been advanced that if you give the power away to a foreign country, it may be difficult afterwards to restore things to their original condition. This question ought to receive the most careful attention and consideration before commitments are entered into that we may regret in the future.

Mr. McMASTER: I had not the pleasure of being in the House when this discussion began, but I should like in a very few words to take issue with what has been said by the father of the House Mr. Maclean, (York), who has not shown in this regard that broad, generous, far-sighted spirit which usually characterizes his utterances. The idea that we in Canada, with 90 per cent of our electrical power undeveloped, should not use that vast potential power by turning it into electrical energy so that it might be exported and help us to pay our debts, is, I think, perfectly preposterous nonsense. The hon. gentleman will pardon me if I have said anything unparliamentary. We have in Quebec, I am told about 14,000,000 horse-power and we have developed about 1,000,000 horse-power. The suggestion is that we should leave that 13,000,000 horse-power undeveloped because in years to come we may want it for ourselves.

Mr. STEVENS: That is not the suggestion at all.

Mr. McMASTER: That is the suggestion because, if you are going to prohibit its export and there is no market for it at home, how will it be developed? It will not be developed unless it can be used, and if it cannot be used in this country, it cannot be used unless it be exported.

Mr. STEVENS: I would like to suggest to my hon. friend that he is the one that is talking the preposterous nonsense now.

Mr. McMASTER: That is a matter of opinion. I used to think our protectionist friends were anxious to see an increase in the

exports of this country, and that the idea of imports into this country caused them alarm. Usually they were always anxious for a favourable balance of trade and they rather encouraged exports. If we can manufacture power and sell it abroad when we cannot use it at home, surely we should be allowed to do so.

Mr. FORKE: Can the hon. member see a way clear that at any time Canada, after allowing that power to be exported for a number of years can say: Now, this must stop; we need this power for ourselves? Can that be managed all right?

Mr. McMASTER: Without any doubt.

Mr. FORKE: It is all right if that can be done.

Mr. McMASTER: First of all, water-powers should never be sold. They should be leased to companies, and one of the conditions of the lease should be that the first charge upon the company, so far as their customers were concerned, would be to see that Canadian customers were supplied. If there was not enough to go around, Canadian customers must have the preference. As power would get more valuable and expensive, the market for it inside the country would develop, and there would be no question but that regulations could be made to preserve for Canadian use such portions of the power as were necessary for Canadian use. The point I want to make is this, that we have in this country vast sources of potential electrical power which, if it can be turned to account and exported, it would be wise and in the interest of the country to export.

There is another phase of the situation. How can we, with any common sense, play the dog in the manger on this continent? How can we say, with wisdom or even with safety: We have sources of power which we will not allow you, our American cousins, to use, even on terms fair to ourselves, because in the far distant future we may possibly need it ourselves. Supposing the United States followed the same policy with us, where would we be? I saw the other day that the Premier of Ontario said: If American manufacturers want to use our electrical power, let them come into Ontario and manufacture in Ontario.

Mr. MACLEAN (York): Or in Quebec.

Mr. McMASTER: In Canada, let us say. In what position would the textile manufacturers be if the United States said: If you want our cotton, come down to the United States and manufacture our cotton here. None of our cotton is going to go north of the Great Lakes.

Mr. HANSON: That is different. One is a raw material and the other is an implement.

Mr. McMASTER: Power would be manufactured in Canada and sent into the United States. Cotton would be grown in the United States and sent into Canada. As a matter of fact, the sooner we realize that we have to develop this North American continent in close co-operation and under friendly conditions with the United States, the better for us. A policy of restriction in this country is extremely unwise. I trust to hear less in this House and elsewhere of that narrow and unwise policy of closing the walls of Canada against the export of power or anything else.

Mr. JELLIFF: Can the minister give us a little more information in regard to this Bridge River Power Company? Who is the president of this company? Who is the secretary? What is the capitalization? What is the capital that has been paid in? What are the conditions under which a license has been issued? Is it an American or a Canadian concern?

Mr. LOW: I am very sorry I have not the information here to-night, but I shall be glad to give it to my hon. friend to-morrow or at any other time. I am now trying to find out by telephone just when this license was first granted to the Bridge River Power Company. If the information comes before we adjourn, I shall be glad to give it to my hon. friend.

As regards the discussion on the export of power, I quite agree with the hon. member for Vancouver Centre that it would be a splendid idea if we could force these industries to come to this country and establish here. But after all, there is another side to the question. The water is, as some hon. member has remarked, flowing away. In other words, dollars are flowing by. The question we must ask ourselves is: Are we to allow these dollars to flow away from us for the next twenty or twenty-five years until such time as the industries are ready to establish in this country? With our mineral wealth it is different; if we do not take it out of the ground to-day it will be there to-morrow. But the water that flows by to-day we shall not be able to use to-morrow, and millions of dollars in the next twenty-five years might come to the country through the export of power. Most industries in Canada require some export business; I know that the industries with which I am connected always require an export trade. We are able to sell 75

per cent of our output in this country but we want the balance in the way of export trade to keep the wheels of the factories running day and night. And power is much the same.

Mr. FORKE: No.

Mr. LOW: Power may remain idle for years unless there is some use for it at home, and if we are able to export a small quantity of it, above what is necessary for home purposes in the locality in which it is developed, it is possible to develop a valuable business in the interests of our people. This year, before a license was granted, I notified all exporting companies that before we would renew any licenses they would have to submit to the department a declaration that the power was not required at home and that there was ample power to supply all the needs in the locality in which it was developed.

So far as vested rights are concerned, I have no doubt that these corporations that enter into contracts across the border, and the companies on the other side, all look into the conditions under which the exporting concern is permitted to send out power. And when they turn up the act they will find in it a clause to the effect that the license shall be revocable on such notice to the licensee as the Governor in Council may deem reasonable in each case. I do not see therefore how anyone making a contract can labour under any misapprehension as to the length of time he will be allowed to export power, or the people on the other side purchase it from the company generating.

I am not so much impressed with the argument that vested rights may be established and that we shall not be able to get away from them when we like. I repeat however that the water is flowing under the bridge continuously and if we do not use it to-day the same water will not flow by to-morrow or the next day. If the figures given by my hon. friend (Mr. McMaster) are correct, we have 14,000,000 horse-power in the province of Quebec alone of which he says 1,000,000 horse-power is developed. So that, if that is correct, we have ample power to supply all the needs of Quebec and the Dominion of Canada for some time if it were harnessed.

Mr. STEVENS: The same argument was applied to timber not more than twenty years ago.

Mr. LOW: Yes; but it is not the export of timber that has depleted the forests. There are other causes that have made greater inroads into the forests than the export of timber.

Mr. STEVENS: But they are depleted nevertheless.

Mr. LOW: Yes, and they would have been depleted very largely in any case apart from the export of timber. A question was asked me about the Bridge River Power Company. The information I have is that this license was granted for the first time five or six years ago.

Mr. STEVENS: Before the power was located.

Mr. LOW: It has not been renewed for this year; it is under consideration.

Mr. MEIGHEN: It is not in the list of licenses returned to this House this session, about two months ago.

Mr. LOW: It has not been renewed this year.

Sir HENRY DRAYTON: Although I have not been here continuously, I want to bring a few facts to the attention of the government before any action is taken which will occasion irreparable damage, certainly to Ontario and I think to Quebec as well. We hear a good deal about a surplus of power. Well, there is a surplus of ice on the hottest day if you get to the Arctic; but there is no surplus of power where it is wanted. There is no surplus of power to-day which is convenient. I wonder what the government are thinking of when they listen to this talk about a surplus of power, when they know that Toronto has to put up $10,000,000 as a result of delays in connection with the St. Lawrence. They know that the whole of the power at Niagara Falls has been exhausted and that, after waiting for years and years to get some action in connection with the St. Lawrence, the Hydro commission, in the protection of the people of all the municipalities concerned, have been obliged in Toronto to put in a steam auxiliary at a cost of $10,000,000 to the people. And yet some people talk about a surplus of power. Where is the surplus of power in Montreal? The minister talks about fairness to the Canadian market. Does he know what the current prices are in Montreal to-day? And if he does, does he know what power is exported from that same district to the American side? Does he know for example what appears in the paper that is issued by Mr. Miles? I believe he is a good Liberal and was at one time certainly, if not now, a member of the local House. He has a chemical or a trade journal in which he is arguing in favour of Carillon power, and he is so anxious in this argument to make his case against the companies that distribute

electricity to-day that he makes what I consider the strongest and most unanswerable point that has been advanced in connection with the whole business. He points out that from the Cedar Rapids Company the American gets power at $12 per horse-power per annum while from the same company they get in Montreal a multiple of that figure. And yet this government talks about a surplus of power in Montreal. The thing is a farce, and everyone knows it. It is not what you have away off in the north or somewhere else, but what you have right here, that counts. Hon. gentlemen say that there is nothing to be uneasy about. Let me draw a picture to show what a great sum the municipalities of Ontario have to meet. At the time there were two companies, the Ontario Power Company on the Canadian side of the river and the Niagara and Lockport Company on the other side. The Niagara and Lockport Company was the distributing end of the Ontario Power Company. That company was formed in just the same way as it is proposed to form the Carillon Company, for the purpose of looking after the American market, which my hon. friend says is in the interests of the people of the district. What interest has the company in the district as soon as that installation is completed? What work is there around a power house? Why, everybody knows, who knows anything at all about it, that if there is any activity in the world where little labour is used it is in a power house. The thing runs itself practically. And if you allow the product to be exported, you are losing the only thing that is going to bring labour and help the people here. But the situation is the same. Here is the Ontario Power Company, and there is the Niagara and Lockport Company. At first they make their arrangements between themselves. Under those arrangements there is a firm contract for 60,000 horsepower. That contract has still twenty five years to run. It had also three renewal periods of twenty years each. The price paid for that power is $12.35 per horse-power year.

Mr. GRAHAM: What is that for?

Sir HENRY DRAYTON: That is for the power exported from the Ontario company's plant into the United States.

Mr. GRAHAM: That is the export price?

Sir HENRY DRAYTON: Yes. The government talks about a surplus of power. I should like the government to tell us where they can get a firm contract for power anywhere in the whole of Ontario—

[Sir Henry Drayton.]

Mr. LOW: Who has said that there is a surplus of developed power at the present time?

Sir HENRY DRAYTON: If there is not, why develop more just to send it to the States? My hon. friend answers his own argument at once.

Mr. LOW: Who is talking of selling it to the States If it is needed in this country it will be kept here.

Sir HENRY DRAYTON: My hon. friend need not worry at all, we will deal with that. I was going to say, I should like to see where to-day, Mr. Chairman, anywhere in Ontario this government could get from anybody a firm contract for power at $24 per horse-power year, let alone the rate that the American customer gets the benefit of. That power company then made a contract with the hydro-electric commission for the supply of electric power to them. That was the first source of hydro-electric energy for the Ontario hydro-electric power movement. The Hydro Electric Commission were always wanting power and could not get it, and finally they bought out the Ontario Power Company. As a result of the negotiations when they bought it out, they were able, after a great deal of difficulty to cut off the three rights of renewal, but they are bound by that fifty-year contract, absolutely bound, and there is no getting out of it so far as they are concerned.

There is only one way by which this sort of commitment could be got rid of, and that is through Dominion action. The Dominion had to consider it. We had an enormous shortage of power when the war was on, and I unfortunately among a few other things, had to take on the job of power controller. As power controller I could have disregarded those contracts altogether, just in the same way as my hon. friend in administering his department could disregard them. What I mean is, if he refused the license, there is no responsibility under the contract so far as the contractors are concerned, the whole question is in his hands, and in his alone. But he would have trouble in taking that action. It is the only excuse that he has for not doing it now, that he would have trouble in doing it. It is the only excuse he has to-day why Toronto has to spend ten million dollars—because he would have trouble in doing it. I admit he would have trouble. What was the situation? Throughout a territory of miles in extent that power was carried; municipalities were lit by it; municipal water works were operated by it; houses and factory light-

ing was supplied by it. And my hon. friend would find, if he has looked into this—and I presume he has, because I do not suppose he is entirely negligent of the interests of that district—if he has looked into it he will find he could not possibly take that power away. It cannot be done. I should like to know what my right hon. friend the Prime Minister would think about shutting off export of power which is giving water to an American municipality? He would not do it. There are certain things that simply cannot be done, and that is one of them.

Now, all we are asking to be done in this case is that we should at least take cognizance, not of a new situation but of a present situation, not of something that may happen but of something we know will happen. There it is. It is absolutely sure that if we go on with this policy we will have a repetition of the Montreal situation, with the same Canadian companies sending power miles across the border for $12 and charging a multiple of it on the Canadian side when it is needed and as it is needed, getting all the difference between the first initial rates and the other rates; we will have that situation for sure. I take this opportunity to impress upon the government as hard as I can the absolute injustice of the proposal to tax the municipalities in connection with that contract. There is a contract made under which they are losing thousands of dollars per annum—all the difference between the current export price of $12.35 per horsepower and their very much greater domestic rates. Further than that, as a result of it, and as a result of the delay in the development of the St. Lawrence power, Toronto is out of pocket ten million dollars, and on top of all that, piling, piling, piling on the load, this government now suggests that we should turn round and add a burden which, for the term of that contract, will mean another three million dollars on
12 m. those municipalities. That is just exactly what it means. A protest has been made, the matter has been discussed, everyone knows about it, but everyone is simply astounded to know that the injustice is not immediately rectified. It is one of those sort of things you can understand going on as a mistake, but to turn around and penalize municipalities that are carrying on this business, not for gain but merely in the public interest,—I say to turn around and penalize them to the extent I have indicated is simply something which passes comprehension.

Mr. MACKENZIE KING: I do not know whether my hon. friend was in his seat in the early part of this afternoon when the question was answered and the House was informed that the government is considering the very matter to which he is now referring.

Sir HENRY DRAYTON: Yes, I was in the House and asked the question, and I was immediately told that the matter was under consideration. I should like to know before it is too late what possible justification there is for such a state of things. Now that my hon. friend raises that point, I am going to raise another. If there was one thing my right hon. friend talked about in the last campaign and talked about also in this House; if there was one thing he waxed eloquent upon, it was the alleged theft from the people of the principles of parliamentary control. I forget the name he applied to it, but certainly his description left nothing to be desired from his point of view of the case.

Mr. MACDONALD (Pictou): Hear, hear.

Sir HENRY DRAYTON: The Minister of National Defence says "hear, hear"; he agrees with it. Why, my right hon. friend would wax incoherent upon that question. The whole trouble was government by order in council. I do not remember any occasion before this when a government put through a budget by order in council. Here we have the whole thing in connection with this precious export duty on electrical power put through without the assent of parliament, without parliament having a single thing to say about it.

Mr. MACKENZIE KING: Can my hon. friend tell me when the act was passed giving power to the government by order in council to do these things?

Sir HENRY DRAYTON: My right hon. friend is referring to an act which was passed by a very estimable gentleman, a very high authority, a man who will deserve and will always hold a very high place in Canadian history, Sir Wilfrid Laurier.

Mr. MACKENZIE KING: The point I wanted to bring out was that from the time of Sir Wilfrid Laurier up to the time my hon. friends opposite went out of office they never thought it advisable to change that act in any particular.

Sir HENRY DRAYTON: I wonder if we can find something that will hold water a little better than that. Will my right hon. friend suggest that Sir Wilfrid Laurier ever

thought the act would be used in this way? He certainly never used it in this way. I will admit the power is there, and it was also there in respect to every order in council that was passed by the late government—just the same; not the slightest bit of difference. The late government, that he has called despotic and all the rest of it, never attempted at any time to implement a budget by such an order in council.

Mr. MACKENZIE KING: It was too busy with other things.

Sir HENRY DRAYTON: My right hon. friend laughs; it is the only thing he can do, because he has no defence whatever. The power with respect to orders in council is not ordinarily exercised when the House is in session; there is then no excuse for action of that kind. If there had been any pressing necessity for the putting on of this tax and the House was not in session, my right hon. friend would at least have an excuse, but the House is in session, the order in council is passed, and he has no excuse. The fact of the matter is that the municipalities to-day are called upon to pay a tax which I do not believe any selfrespecting Canadian parliament would validate. It is validated by order in council, and that is the only way it could be done.

Mr. GRAHAM: I agreed with the leader of the opposition that the St. Lawrence waterway development should not be discussed without our giving him fair notice. I see that his desk-mate does not regard that arrangement; he bases a lot of his argument on a condemnation of this government for not going on with the St. Lawrence waterway development. I am going to keep my arrangement with the leader of the opposition that a discussion of this matter should have notice, although I think I could make a fairly good reply to that part of my hon. friend's remarks. Now, I want to get back to this Carillon power. The hon. member for Vancouver Centre is one of the gentlemen who gave this lease for the development of the Carillon power. There was not anything in it about export, but the law was there for export year by year if they wished to apply for a license. And they granted the lease for the development of the Carillon power a few days before the general election in December, 1921. What is asked for now is an enlargement of that power to make a greater development. But there has been a lease in force for the development of large power at the Carillon rapids—

Mr. MEIGHEN: What has that to do with the export of power?

[Sir Henry Drayton.]

Mr. GRAHAM: Now, the hon. member for Vancouver Centre spoke for fifteen minutes on the proposed development of the Carillon power.

Mr. MEIGHEN: The export; nobody is against the development.

Mr. GRAHAM: Oh, is that so?

Mr. MEIGHEN: Not that I know of.

Mr. GRAHAM: Now, I want to get this matter where it belongs, because this government has not done as much as the late government did in regard to the development of the Carillon power.

Mr. MEIGHEN: Except talk.

Mr. GRAHAM: My right hon. friend does not like this part of it. I am not saying he did wrong; I am saying it was a little shady to rush it through a few days before the election in 1921.

Mr. STEVENS: Will my hon. friend permit me? He is making rather unfair—

Mr. GRAHAM: I am telling the truth, according to the record.

Mr. STEVENS:—unfair insinuations—

Mr. GRAHAM: Not insinuations—a bald statement.

Mr. STEVENS: My hon. friend insinuates that I did something that was wrong. Will he please produce what he is referring to? He is insinuating that there was some document signed by me—

Mr. GRAHAM: No, I did not say anything of the kind.

Mr. STEVENS: Yes, he intimated that a few moments ago, and said that it was a few days before the election. I was in British Columbia a few days before the election.

Mr. GRAHAM: I said that the new power lease for development at Carillon was signed by the then Minister of Railways in a government of which my hon. friend was a member, a few days before the general election in December, 1921. My hon. friend cannot escape his share of the responsibility. I am not arguing that that was wrong, but I am pointing out to my hon. friend, when he declaims against any lease being signed for the development of the Carillon power, that his government signed it under the circumstances which I have outlined.

Mr. STEVENS: I made no such statement; I cannot let my hon. friend get away with that. I did not declaim, as he says, against the signing of a lease for the development

of the Carillon power. I spoke entirely in a non-critical spirit, and the whole purport of my discussion was the question of the export of power. I did not attack the government for anything it had done or was about to do. I simply asked the government to be very careful in this matter, pointing out that in the years gone by it had grown to such a point that parliament ought to take notice of it. My hon. friend's insinuations and innuendoes are unjustifiable and unbecoming to him.

Mr. GRAHAM: I accept the lecture, Mr. Chairman, but still I am not going to be driven away from this point.

Mr. STEVENS: My hon. friend cannot drive me into any corner either on that point.

Mr. GRAHAM: I am just stating the facts. My hon. friend can be in the corner or not.

Mr. STEVENS: They are not the facts.

Mr. GRAHAM: I will show the record whenever I am called upon. As a matter of fact a lease was signed for the development of a large amount of power at Carillon a few days before the election of 1921 by the Minister of Railways in the government of which my hon. friend was a member. That is on record.

Mr. STEVENS: That is not me.

Mr. GRAHAM: Not you personally, but as a member of the government you are jointly responsible. My hon. friend, of course, did not sign the lease for the power himself.

Mr. STEVENS: And that has nothing to do with the export of power, which is what I was discussing. My hon. friend is not going to fasten any responsibility on me on any such hypothesis as that.

Mr. GRAHAM: If I might be allowed to go on, Mr. Chairman, my hon. friend from Vancouver Centre should not get so much annoyed because I mention this fact; he has mentioned Carillon at least a dozen times.

Mr. STEVENS: Certainly.

Mr. GRAHAM: Certainly. Let us get discussing Carillon power. I have not come to the question of export yet. I was pointing out that the lease for the development of power at Carillon was signed in December, 1921, by the Minister of Railways in the government of which my hon. friend was a member. He is responsible for the signing of that lease just as much as was the Minister of Railways, although I know enough about governments to know that a man may not be always present, but he has to accept responsibility just the same.

Mr. STEVENS: No one is trying to evade it.

Mr. GRAHAM: My hon. friend said he did not know the lease was being signed, that he was in Vancouver.

Mr. STEVENS: I am not seeking to evade any responsibility. I was in Vancouver at that time; I was not in Ottawa then nor for a month before. I do not seek to escape any responsibility for any act of the previous government, but I want the minister to understand this: I discussed in good faith and in all courtesy with the minister and his colleagues the policy of the export of power as it was developing—and I used this expression—under this government and under previous governments. My hon. friend is by innuendo and insinuation seeking to fasten on me personally some responsibility in regard to the export of power by the Carillon Power Company, and I am not going to allow him to do it. I want to say further, it is not becoming to him or to his record for fairness to make an insinuation of that kind.

Mr. GRAHAM: I am bound I will not lose my temper over this, Mr. Chairman, because there is nothing to lose one's temper about. I was pointing out that the government of which my hon. friend was a member had through its Minister of Railways signed a lease with the Carillon Power Company in 1921 a few days before the election, and no member of the government can escape responsibility for the signing of that lease. If I have insulted any person, I apologize; but that is all I was saying.

Mr. STEVENS: Not at all.

Mr. GRAHAM: That is what I meant to convey, and did convey, that no minister can escape responsibility for the act of the government.

Mr. MEIGHEN: What is the matter with it?

Mr. GRAHAM: I did not say anything was the matter, but I was pointing out that when this government came into power it found that lease signed in December by the Minister of Railways of the late government a few days before the last election, and that very lease for Carillon Power remained in

force until a few months ago, the identical lease, not given by this government, but given by its predecessor.

Now the same company is asking for the powers under that lease to be enlarged. No arrangement has been made with them; no arrangement, I imagine, would be made with them unless subject to the act in force when my hon. friends were in power, and which is in force now. So that as far as this Carillon question is concerned, this development is in the same position it was in when this government came into power. I want to make that clear.

I am strongly of the opinion—if it were my personal business, I might perhaps think otherwise, being after the profits—that any government in Canada ought to go very slow in approving of the export of power in any great quantity. There is no question about that in my mind; I agree heartily. There is an argument on the other side which has been presented to us very strongly time and again by people living along certain powers, who feel they are losing day by day in seeing the power flow by their doors without development. They take the ground that development cannot take place unless outside capital is got for that development, and that would imply the export of a part of the power. That is the situation. It is not changed at the present time from what it has been for months and years.

As to the point raised by my hon. friend from West York (Sir Henry Drayton), he has made a pretty strong plea for the 60,000 horse power for the municipalities of the province of Ontario. The Hydro-Electric in itself is an entity, and is not an entity financially. Its financial standing is the financial standing of the municipalities that belong to the Hydro, and they are protesting that an old contract which they took over from the Ontario Power Company should not be subjected to this export tax. I take the view that one of the best ways to discourage the export of power is to put a good tax on it, just like you would put an export tax on any other product. But this is a question that has to be carefully considered. We have not been wasting any time in considering it. It was only last week that the people who are most vitally interested came to us in very large numbers, and they unanimously expressed the view that they were in favour of the export duty on power.

Mr. MACLEAN (York): Not the city of Toronto.

[Mr. Graham.]

Mr. GRAHAM: This deputation without one exception assured us they were in favour of the principle of a tax on the export of power.

Mr. MEIGHEN: Because they did not want it exported.

Mr. GRAHAM: But they did ask this, that the power exported under this old contract from which they could not recede should be excluded from the tax. That is a serious matter. It is under consideration, and will be given the fullest possible consideration. There is no attempt at all to shirk responsibility, and the arguments of this deputation are being carefully considered by the government at the present time.

Sir HENRY DRAYTON: My hon. friend says it is only a short time ago. I brought this matter most pointedly to the attention of the government in the early days of the budget; that is about six weeks or two months ago.

Mr. GRAHAM: What I said was that this deputation of municipalities came to us only a few days ago.

Sir HENRY DRAYTON: The matter must be an old one with the government. I brought it up six weeks ago.

Mr. GRAHAM: I was speaking of the visit of the deputation from the municipalities, which came here only last week, I think. There need not be any doubt about it; the government is going to give the matter every consideration, and being from Ontario myself and always taking a deep interest in the development of this province, the House can rest assured that at least I am not prejudiced against the province of Ontario.

Mr. STEVENS: When I rose first to discuss this matter I think the House will bear me out that I treated the government with every courtesy and consideration. I indicated to the government that I desired to discuss the matter not in a spirit of criticism at all. I pointed out that this question of the export of power had grown into a problem by the gradual development of the hydro electric power system in Canada, and that we were faced with a condition which was the product of the years. The Minister of Railways sought to divert what was I think a reasonable and a proper discussion of a very important matter, as he himself indicated in the latter part of his remarks when he expressed the view he takes of this question, but in the first part of his remarks he sought to insinuate and by a circuitous innuendo to

suggest that in some manner I and the government with which I was for a short time connected was responsible for the whole business. I think he was unfair, and in my estimation it ill became his usual courtesy and fairness. I resent it very much and I suggest that this item should stand. It is getting pretty late. We have asked the minister in charge to furnish us with certain information regarding the Bridge River Power Company. That company I know has not any works at all, but I would like to look into it, and also to see this lease that the minister refers to—in fact all the papers connected with the Carillon Power Company. I ask him in all fairness, in face of his suggestion that something has been done by myself and others that was calculated to reflect on our administration, that he should produce all the correspondence and papers, and the famous lease upon which he bases his insinuations and innuendoes; and if we have those papers before us, and if the government will give us some indication what their intention is regarding the charge on the 60,000 horse-power from the Ontario Electric, then I think we can properly and fairly consider the item. I ask that the minister consent that the item should stand.

Mr. GRAHAM: I cannot for the life of me understand how my hon. friend takes the attitude he does towards me, that I was making a personal allusion—

Mr. STEVENS: Read Hansard to-morrow and the hon. member will see.

Mr. GRAHAM: I was saying that, as far as the Carillon Power Company was concerned, he as a member of the government was responsible. We did not issue that lease. It was forced upon us. I did not say whether it was right or wrong to issue it.

Mr. MEIGHEN: The minister said that it was peculiar that it was issued just before the election.

Mr. GRAHAM: Yes, I repeat that now.

Mr. MEIGHEN: What is the government supposed to do, if it has any responsibility? I want to remind him that after his government was elected they declined to take responsibility and forced us to continue two or three weeks after election. It was our business then to carry on.

Mr. GRAHAM: I thought it was a peculiar circumstance but this government did not issue that lease.

Mr. STEVENS: What was peculiar about it? What was the insinuation?

Mr. GRAHAM: I have stated the facts.

Mr. STEVENS: The minister has stated more than the facts.

Mr. GRAHAM: No.

Mr. STEVENS: The minister has stated more than the facts.

Mr. GRAHAM: The hon. member cannot get me fussed about this matter. He has got into a temper for no reason at all. I have stated the facts as nearly as I could, and I do not want to go over them again. I made no personal reflection. Can we not criticize a previous government without it being considered a personal reflection? I did not mean anything of that kind. I want to tell my hon. friend that I respect his good will, but I will not be put in a wrong position by him or anybody else if I can help it.

Mr. STEVENS: The minister has not much regard for the feelings of other hon. members.

Mr. SPENCE: Signing a lease for the development of electrical power is entirely different from the exporting of electrical power. I think the policy proposed is a bad one for the government to entertain. It is said we are going to develop 14,000,000 horse-power in this Carillon project. I have talked with engineers who know something about it, and they say that the horse-power that can be developed there is over-estimated.

Sir EUGENE FISET: It is 14,000,000 horse-power in the whole of the province of Quebec, and not simply in the Carillon Power Company.

Mr. SPENCE: It is said you are over-estimating the amount of horse-power you can develop, and if you go into a contract and guarantee to lay down a certain horse-power our good friends to the south will see that you develop as much as you contract to develop. The first thing you know you will be developing at different points on the St. Lawrence river, and that will be a bad thing for the country. My own view is that the industries cannot remain stagnant here forever, and I think in five years we will be able to use all the horse-power we can develop.

Mr. CANNON: Does the hon. member approve of the lease passed by the former government for the Carillon development?

Mr. MEIGHEN: I never saw it.

Mr. SPENCE: Signing a lease for the development of power is different from exporting power. I am opposed to the principle of anything going out of the country. I want

to see the industries of this country developed from our own power. I come from a city where we have great electrical power development and we know something about the matter. The Hydro Electric would not have been the success it has been if it had not been for the big city of Toronto. We are bound to spend $10,000,000 in a steam plant because we cannot get the power otherwise. We can carry this development on in Toronto without sending the power to the United States. The Minister of Railways mentioned the fact that a deputation waited on him a few weeks ago, and he made a correct statement in regard to the matter. He asked if they were opposed to the principle of exporting power, and they said no, they were in sympathy with it, it was all right; they were carried away with the idea of having to pay a duty on 60,000 horsepower on a deal made in 1904. The gentlemen who answered the Minister of Railways were friends of the minister, but they were not expressing the views of the city of Toronto or the views of the Hydro Electric people. I know the gentlemen who made the statement, I know their politics, and I say they had no right to make that statement. They were in the room at the time and they had no business to make such a statement. I do not believe they expressed the views of the city of Toronto or of the people of the province who put their heart and soul into the hydro electric development of this country. I say to the minister that he was stating the absolute fact when he said that the deputation made the statement to him that they approved of the principle of exporting power, but they had no right to say that and were not expressing the views they should have expressed.

Mr. STEVENS: I have asked the minister if he will let the item stand until we have the information which he agreed some time ago to lay on the table. I say it is a reasonable request, and I again ask the minister to permit the item to stand until he brings down the information.

Mr. LOW: The information is contained, I understand, in certain papers. My hon. friend can obtain these in the regular way. As to the question of an export tax, that matter is under consideration, as has already been stated, and I see no reason why we should be asked to allow the item to stand over to-night after debating it for a couple of hours.

[Mr. Spence.]

Mr. MEIGHEN: This is an appropriate item under which this whole subject can come before parliament. The government has chosen, while parliament was sitting, to act in this matter by order in council, consequently the matter did not come up in the budget. It is now up for review by parliament, and parliament's duty is to express an opinion on a question of as far reaching consequence for Canada as anything that has come before the House for years and we should not be shut off in the discussion until we have the data before us. The information which has been asked for is certainly elementary and manifestly necessary. The data as to what has been done in British Columbia and the further data mentioned by the hon. member for Vancouver Centre (Mr. Stevens) should be furnished. The minister should not ask that this item be allowed to pass, especially in view of what has been done by order in council, until this information is furnished to the committee.

Mr. MACKENZIE: KING: If my hon. friend insists on having the item stand, all I can say is that what we desire to do is to get on with the work as rapidly as possible. If the hon. members are agreeable to proceeding with some of the other items, there is no objection to letting this stand and taking up some others.

Mr. MEIGHEN: It is now half past twelve. Certainly there has been no obstruction. We did not need to debate this at such length, except for the interposition of a reference that was unnecessary. We might have had it stand before; but we are not going to consent to go on with other items after twelve-thirty, especially as we have made good progress every day since the budget debate closed, and of course we know what caused the delay in the budget debate.

Sir HENRY DRAYTON: My right hon. friend says: We will go on with this item. Very good. This is the only item on which we can discuss the question of export of power, and I am now going to refer more particularly to the Carillon power. The first information that we ought to have is: Who are the applicants for the power? What gentlemen are behind the application? Who are the gentlemen who have been lately in the corridors of this House looking after the question of that license? What do those gentlemen want to do with it? I do not for one minute question their perfect financial solvency and strength. Where will this money be spent? To what municipalities in the

United States is the power to go? Will the company be not only a Canadian company, but an American company? If a Canadian company and as well an American company, what will be the inter-relationship of the two companies? What will the contracts be? What arrangement will be made for the contracts? What arrangement will be made, for example, to prevent a repetition of what we have in connection with Ontario power? I may be absolutely all wrong, because the only information that I have is what I have seen in the newspapers.

Mr. LOW: I am listening to my hon. friend.

Sir HENRY DRAYTON: The minister connot carry on two conversations at the same time. The minister cannot talk to the Minister of Railways and Canals and listen to me at the same time, and I am quite willing to wait until he is ready. I am absolutely in the dark and I think all hon. members are in the dark as to the exact terms of the present proposal. Perhaps the minister could tell me now how large a quantity of power has a license been asked for? What is the present application? Will the minister kindly table the application or send it across the alleyway? Of course, as the item under consideration is the only one on which we can discuss this question, the application must be in the bag there. Has the minister the application here?

Mr. LOW: Proceed. I will answer later.

Sir HENRY DRAYTON: I think we had better get along with one question at a time, because the minister will forget them.

Mr. LOW: I will make a note of them. As regards the Department of Trade and Commerce, no application has been made.

Sir HENRY DRAYTON: I observe that my hon. friend immediately takes the ever efficient coaching of the Minister of Railways and Canals (Mr. Graham), who whispers in his dulcet tones that no application has been made. Are we to understand that the whole of this Carillon power is a myth, that there is no application to the government? I do not care about the technicalities within which truth may be hid, but is there any truth that this government has been approached, yes, time and again, in connection with an export of power from Carillon? I will take my hon. friend's denial, but I will wait for it.

Mr. GRAHAM: I thought my hon. friend was addressing the other minister.

Sir HENRY DRAYTON: No, in this case the Minister of Railways and Canals was giving the cue to the Minister of Trade and Commerce.

Mr. GRAHAM: He gave it to me.

Sir HENRY DRAYTON: It was returned then. In this game of battledore and shuttlecock, we will go to the shuttlecock. Does the Minister of Trade and Commerce mean to say that the whole of this question of the export of Carillon power is a myth and that this government has not been requested, pressed, to grant it?

Mr. LOW: I say to my hon. friend without any hesitation that we have had no application for a license to export Carillon power.

Sir HENRY DRAYTON: Does my hon. friend want that to go to the country as a real answer giving the truth of the situation? Does he mean to say that we have not had deputations here, well worked-up deputations?

Mr. LOW: My hon. friend asked me a question and I have answered it.

Sir HENRY DRAYTON: I am putting another question. I am asking whether worked-up deputations did not come to press the government to give those licenses for export, and I will await an answer to that.

Mr. LOW: I know of no worked-up deputation.

Sir HENRY DRAYTON: Does he know of any spontaneous deputation? What does the minister say?

Mr. LOW: My hon. friend knows that deputations have waited upon the government. That is public property.

Sir HENRY DRAYTON: So that we have had deputations waiting upon the government pressing for licenses for the export of this power. For how much?

Mr. LOW: No quantity at all was stated by the deputation.

Sir HENRY DRAYTON: Does the government want to take that position? We have three members of it here now.

An hon. MEMBER: Four.

Sir HENRY DRAYTON: But one is asleep. I am referring only to the members of the government that are not yet asleep. I see he has wakened up. Does the government seriously want the country to understand, after what I think everybody knows has been going on not only for weeks, but for months, that it does not know how much power is

sought to be exported? What does the government say? That it does not know how much power the promoters of this new exploitation think they should have the right to export? If the government wants to say that it does not know, I shall have to take that answer, but it will surprise many people.

Mr. MACKENZIE KING: If I may speak for the government, I will say that the government does not know. There has been before the government no application that I am aware of, and the government has nothing before it to consider. The hon. member is simply wasting the time of the committee in asking these questions. Even if there had been an application, is there anything in that to which the hon. member could take exception?

Sir HENRY DRAYTON: I would want to look at it before I would know. The right hon. member forgets all his pre-election discussion—

Mr. MACKENZIE KING: What does my hon. friend want to discuss? An imaginary application?

Sir HENRY DRAYTON:—of the whole of this question as to the export of power, and I am going to tell my right hon. friend that I think I would be unkind to him to take altogether seriously the idea that nothing has been said to him about the export of this power.

Mr. MACKENZIE KING: I simply say to my hon. friend that I will not permit any insinuation of the character he is making at the present time. No application whatever, that I am aware of, has been made to the government with respect to the export of power. I am making that statement fully conscious of its significance and meaning in every particular.

Sir HENRY DRAYTON: I was not talking about that technical word "application" at the moment. I wanted to know whether the Prime Minister had not been approached in connection with this very question of the export of Carillon power.

Mr. MACKENZIE KING: My hon. friend knows that I presided at the gathering at which a deputation stressed from their point of view the advantage it would be to many municipalities to permit a certain amount of power being exported. And this is all public knowledge. Surely municipalities have a right to present their own point of view to the government. But I repeat that the government has received no application and has had nothing before it to consider. The reply given to the deputation was that the government was just as conscious as any member of this House of the importance of considering the future needs of Canada and protecting the requirements of the Dominion against any possible encroachment from any direction. The government is just as sensible and as watchful of the interests of the provinces and of all classes as any deputation that can come before it, and it has so stated. What other position does my hon. friend wish the government to take in the matter?

Sir HENRY DRAYTON: It is becoming a habit with the Prime Minister to miss the point. I never suggested that there was anything wrong about any municipality waiting on the government; they all have a perfect right to do so and to receive proper consideration.

Mr. MACKENZIE KING: Is there anything improper in any individual or group of individuals doing the same?

Sir HENRY DRAYTON: Not the slightest. I am merely asking for information. There seems to be such a fog of dense ignorance in government benches as to the whole question of Carillon power that I wonder hon. gentlemen opposite even knew the name.

Mr. MACKENZIE KING: It is my hon. friend who is making a myth and mystery of it.

Sir HENRY DRAYTON: I again ask the Prime Minister: Apart altogether from that deputation, has he not been approached with a view to securing his sympathy in connection with a license for the export of Carillon power? If he says no, then there is an end of the matter.

Mr. MACKENZIE KING: Ever since the government has been in office it has had the same sort of representations made to it as hon. gentlemen opposite had when they were in power; and I presume that for the next ten, twenty or a hundred years this will continue; some will want the right to export power while others will be of the opinion that it should be carefully safeguarded. Some think that its export should be totally prohibited, while others think that all these matters are questions of development. I do not understand what my hon. friend means when he seeks to insinuate that in some way either the government is doing what is wrong in listening to representations that are made to it, or individuals are wrong in making such representations in regard to matters that are of great public concern.

Sir HENRY DRAYTON: My hon. friend is getting away from the point; he has taken me back a hundred years.

The CHAIRMAN: I do not want to interrupt the hon. member but I do think his remarks are not quite relevant. I would draw his attention to the following from Bourinot with reference to the relevancy of arguments:

The precise relevancy of an argument is not always perceptible, but the Speaker must be satisfied that it is relevant, otherwise he reminds the member that he must speak to the question. It follows therefore that the debate must not stray from the question before the House to matters which have been decided during the current session, nor anticipate a matter already appointed for the consideration of the House.

I do not think that the hon. member has been speaking to the point before the committee, in the way I have heard him speak in a good many years; and he has repeated so many times what he has had to say that I am beginning to conclude that he is not strictly in order.

Sir HENRY DRAYTON: If I may, Mr. Chairman, I would indicate one or two reasons why I think you are wrong. In the first instance, I have asked a question, which is perfectly pertinent, with regard to the export of power. I have failed to get certain papers; they are not here. And I have failed to get any definite information at all on a matter which is of transcendent importance to the country, a matter which cannot come up again. Now, I am trying to get informattion if I can and so far I have not been able to get it.

The CHAIRMAN: Does the hon. member say that this matter cannot come up again on a motion to go into Supply on some other day.

Sir HENRY DRAYTON: It can come up on this estimate.

Mr. MEIGHEN: Does the Chairman suggest that any question connected with the export of power cannot come up under this estimate?

The CHAIRMAN: I never said any such thing.

Sir HENRY DRAYTON: The Prime Minister, as I was pointing out, took me back many years; he said that representations had always been made on the subject. I am interested in this particular question of the export of Carillon power. Has the Prime Minister been approached—I am not using the word in the slightest degree invidiously but in order to get established what we all know to be a fact—has the Prime Minister been approached, I say, in connection with this very question of the export of power, apart from that delegation?

Mr. MACKENZIE KING: I have given the answer.

Sir HENRY DRAYTON: What was it?

Mr. MACKENZIE KING: You will have to read it to-morrow.

Sir HENRY DRAYTON: I suppose I shall have to be content with that, but I do not know that everyone else will be content with it. I should like to know in connection with this lease which is being discussed whether the Dominion controls it or whether it is controlled by the two provinces of Ontario and Quebec.

Mr. GRAHAM: That is a big question.

Sir HENRY DRAYTON: Yes, but we might as well know where we stand on the question. The position has been taken by the premiers of both provinces where the power is located that this export ought not to be allowed.

Mr. GRAHAM: I think they are both against all export.

Sir HENRY DRAYTON: Yes, and they happen to represent the two provinces which are immediately concerned. Hon. Mr. Taschereau, Premier of Quebec, in a reported speech, has stated pretty fully his grounds of objection, and in connection with the question of power going to waste he has pointed out that he had then under arrangement a large development in his province and was getting industries to go in to use it. The mere fact that he has been able to do that is in itself evidence that there is not so very much in the statement that unless we allow this export the power will be wasted. Does not my right hon. friend think that the considered opinions of the two provinces primarily interested ought to be the governing factor in the matter? I submit that they ought to be. I would point out to the government that the title to the water is in the province, subject to the rights of navigation; and when we have both these owners taking the position which they do take, I really submit to the Prime Minister that he would allay a good deal of unrest that now exists if he would now say that there is going to be no export. I am afraid my right hon. friend is singularly unresponsive to-night.

Mr. MACKENZIE KING: When any application is received it will be considered in the light of all circumstances of public importance.

Sir HENRY DRAYTON: Then about this question of the tax on the municipalities. So far as I know this is the only vote on which it can be considered, and in the absence of any resolution dealing with the matter but action by order in council, I really would have thought that the right hon. Prime Minister would have wanted full and free discussion upon the question. Why should we not have it? Is there any doubt? Because if there is, this is the only chance I shall have of removing it. Is there any doubt whatever in the minds of the government as to the absolute justice of the claims of these Ontario municipalities? If there be any doubt, in all fairness to the municipalities why should it not now be raised? In other words, Mr. Chairman, unless the government now have absolutely determined to do what really I would submit is the only proper thing to do, relieve these municipalities, and are at present merely indulging in an obstinate silence, the only fair thing to do is to point out some weakness in the municipalities' case; and I do not think I am asking too much in requesting them to do so. I would ask the Minister of Railways (Mr. Graham) if he can point to any weakness whatever in the case of the Ontario municipalities? I think I have a right to an answer. It is a serious question.

Mr. GRAHAM: Does my hon. friend now think seriously, having been a member of government, that if he were in my position with the matter under consideration he would want the members of the government to be cross-questioned one at a time? The government acts as a whole.

Sir HENRY DRAYTON: I have been talking to the government as a whole, but I can get no answer from anybody. I am not asking for an immediate decision. I would like to know if there is any point of weakness in the municipalities' case that we can be informed of and discuss. As I have said, this is the last chance I have of answering any objections. Is there any argument advanced that is not sound? Is there the slightest excuse for withholding the claim of the municipalities? If there is, it should be stated now. I am not asking that the government, if there be any such thing, have not a right to consider it; but I think we have a right to know whether any such thing exists at all, unless it is thought by the government not proper for discussion. So far they have not said so.

Mr. MEIGHEN: I read a statement attributed to the Prime Minister—I am not quite certain of the occasion, but I have it upstairs; I think it was to a delegation—to the effect that in his judgment surplus power should be permitted to be exported from Canada. Was such a statement made?

Mr. MACKENZIE KING: No.

Mr. MEIGHEN: Then a lot of newspapers are travelling along a wrong track, and for the purpose of getting their way in this matter are extolling the government.

Mr. STEVENS: I should like again to appeal to the minister to let this important item stand over.

Mr. LOW: We have been debating it now for nearly three hours, and surely if we are to make any progress at all we must get some of the items passed.

Mr. STEVENS: I want to point out this to the Prime Minister as the leader of the government, without any disrespect to the Minister of Trade and Commerce, that during the discussion of the estimates of this department we have made excellent progress with very large and very important items. We come to this item to-night, and I intimated in my previous remarks that this raised perhaps the most important and significant question before parliament; I qualified it in this way, that if it was not the most important it was one of the most important questions. To my mind it is the most important. I made that statement, if the minister will recall, before the little tiff between myself and the Minister of Railways (Mr. Graham)—

Mr. GRAHAM: Let us forget it.

Mr. STEVENS:—which apparently has occasioned this impasse. I had no intention of delaying the committee or causing any unreasonable discussion, but I submit to the government and to the Prime Minister that in view of the tremendous significance and importance of the question this item should be allowed to stand. I am not asking the government to give way on anything; simply on the merits of the case I ask that this item be allowed to stand until we have had the documents and other information which we have asked for.

Mr. MACKENZIE KING: I think my hon. friend will recall that about three-quarters of an hour ago I said the government would not

hesitate for one minute to allow the item to stand, provided hon. gentlemen opposite would be prepared to allow us to pass another item or two before the committee rose.

1 a.m. I am quite prepared to repeat that proposition at this hour, but I certainly do not think the government should be called upon to meet the whims of my hon. friend in the matter of whether or not we are to make progress with the estimates. I submit that until the difference arose to which he refers, there was no thought of holding up those items, and then my hon. friend got up and stated, "I will see this item does not go through to-night."

Mr. STEVENS: I beg my right hon. friend's pardon, I did not make that statement.

Mr. MACKENZIE KING: Yes, I think my hon .friend did.

Mr. STEVENS: I want the Prime Minister to be fair. I made no such statement. I admit I resented very much what I considered an unfair insinuation, but it had nothing to do with this item or the previous discussion. I regret very much the Prime Minister taking this stand, but again I would submit to him the importance of this item is such, and the necessity for information so pressing, that it is utterly unreasonable to ask that it pass to-night.

The CHAIRMAN: Would it satisfy the committee to let the first item, salaries of staff, the second item, travelling expenses, and the fourth item, International Electrotechnical Commission, pass, and allow the third item, export of electrical power $500, to stand?

Mr. STEVENS: The point is that it is all one item.

The CHAIRMAN: If consent is given the one item can stand and the other three pass.

Mr. MEIGHEN: The Prime Minister at 12.30 agreed that this item should stand provided we would agree to take up some new items and let them go through. It was a strange suggestion to make at 12.30 after we had got through to-day two resolutions of the Minister of Finance, both very important; the second reading of the budget resolutions as a bill and the debate on an amendment; and some further bills to-night, and then made some progress on the estimates of the Minister of Trade and Commerce. That is the treatment this government has had from the opposition. They have never had anything in the nature of obstruction for an hour of the whole of this parliament. There has been ample progress made to-day, and now we are not allowed to have an item stand except conditionally—an item that involves as big a question as ever was before the people of Canada, an item on which that question can alone be appropriately discussed. Before we can get that to stand pending the bringing down of what is admitted to be important information, we must submit to conditions. That is supposed to be reasonable treatment, and this is propounded to us at one o'clock in the morning. We are not anxious to hold up the item, but we are anxious that there should be reasonable discussion in the light of reasonable information on this item. I am prepared to allow the item to pass if I get the undertaking from the minister that on the next item that comes up in his department, when he presents his estimates again, we can have the discussion finished, he having brought down the information asked for. The understanding is that we can then have a full discussion on this same subject.

Mr. MACKENZIE KING: Certainly.

Sir HENRY DRAYTON: I had an arrangement similar to this two years ago, but I was told afterwards that it was illegal. I do not desire that we should be caught that way again. The arrangement should be clearly understood so that there will be no question about the right to go on with this discussion on whatever item is now fixed.

Mr. MEIGHEN: The next item taken up, I said, and the material brought down.

Mr. MACKENZIE KING: The right hon. leader of the opposition has made a suggestion which I think will meet the situation, and I am prepared on behalf of the government to accept it in the spirit in which it is made.

The CHAIRMAN: The understanding is that on the next item introduced by the Minister of Trade and Commerce the debate will continue on the question of the export of electrical power—the same as this item that has been debated under this vote in committee; and that is accepted, I understand, by the right hon. leader of the opposition.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 1.05 a.m. (Friday).

Friday, May 15, 1925

The House met at three o'clock.

COMMITTEE ON BANKING AND COMMERCE

Mr. VIEN presented the fourth report of the Committee on Banking and Commerce.

PRIVATE BILLS

FIRST READINGS

Bill No. 130, from the Senate, for the relief of Lillian Yaffe.—Mr. Hanson.

Bill No. 131, from the Senate, for the relief of Charles William Dickinson.—Mr. Hanson.

Bill No. 132, from the Senate, for the relief of Charles Murray Cramsie.—Mr. Baldwin.

Bill No. 133, from the Senate, for the relief of Frederick William Mallyon.—Mr. Speakman.

SPILLERS ELEVATOR

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): I desire to call to the attention of the government the fact that return No. 176 made pursuant to an order of the House for copies of certain letters, correspondence, and so on, between January 1, 1922, and February 25, 1924, is incomplete, there being nothing in the documents filed bearing a date prior to June 29, 1923. The correspondence should begin with the 1st of January, 1922, and I should like to have the rest of the return brought down if possible.

Right Hon. W. L. MACKENZIE KING (Prime Minister): What is the subject of the correspondence?

Mr. BLACK (Yukon): The order reads:

For a copy of all letters, telegrams, documents and correspondence, between January 1, 1922 and February 25, 1924, between R. H. Gale and any minister or official of the Dominion government; and, between R. H. Gale and the Vancouver Harbour Commission, and between Vancouver Harbour Commissioners and any minister or official of the Dominion government; and, between any representative of the Spillers interests and the Harbour Commissioners, and, or any minister of the Crown and official of the government, regarding the negotiations for lease or sale of certain waterfront property in the Vancouver harbour, upon which is now erected what is known as the Spillers elevator, and which property lies immediately east of the Vancouver Harbour Commissioners elevator No. 1. Also, copy of any letters, agreements, schedules of fees, assignments, transfers, and other documents appertaining thereto.

Mr. MACKENZIE KING: If the return is incomplete it must have been due to an oversight and the government will seek to have it made complete as soon as possible.

[The Chairman.]

ALLEGED FRUIT COMBINE

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): There has appeared in the Vancouver Daily Province a headline article announcing that the government has determined to start prosecutions under the Lewis Duncan report against the alleged fruit combine. There has been no announcement in the House that I know of and I would ask the government whether there is any official authority for the statement.

Hon. ERNEST LAPOINTE (Minister of Justice): I am sorry the Minister of Labour (Mr. Murdock) is not here; he is dealing with the matter. I may inform my hon. friend however that counsel has been instructed to institute proceedings.

Mr. LADNER: Is the prosecution co-operating with the provincial governments, or is it entirely on the part of the federal authorities?

Mr. LAPOINTE: Counsel is instructed to communicate with the various attorneys general interested in the matter, but I do not know whether they will take part in the proceedings independently or not.

DIVORCE

EQUALITY OF GROUNDS FOR RELIEF AS BETWEEN THE SEXES

On the Orders of the Day:

Mr. JOS. T. SHAW (West Calgary): I beg to direct the attention of the Prime Minister to order No. 32 on to-day's order paper, for the third reading of Bill No. 4 respecting divorce. May we anticipate an early opportunity for the third reading of this bill?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am not in a position at the present time to say what it may be possible to do with reference to this bill as well as to other orders that appear on the same page. It will depend largely on the progress we make with legislation whether or not that opportunity can be given soon or late.

Mr. SHAW: Perhaps the Prime Minister may have overlooked the assurance given in connection with this matter and for that reason I would refer him to the Hansard report which indicates the conditions upon which I consented on at least one occasion to the bill standing over.

Mr. MACKENZIE KING: Any assurance given will be carried out, but I cannot at the moment indicate when the opportunity will come.

SUPPLY

DEPARTMENT OF MINES

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

Mines and Geological Survey—for organization and equipment of the explosives division, under the Explosives Act, chap. 31, 4-5 George V., $10,000.

Mr. MEIGHEN: Will the minister indicate what work the division is doing now?

Hon. CHARLES STEWART (Argenteuil, Minister of Mines): They are doing the same duties they have performed since the act was instituted. These comprise the inspection of all explosives, their storage, the distances at which they are allowed to be stored from industries or dwellings, general supervision over storage, and an examination into the chemical composition of the explosives themselves that are offered for sale.

Mr. MANION: Is not this something that should be under the provincial authorities?

Mr. STEWART (Argenteuil): It comes under the federal act of 1914. If there is to be uniformity it should be under the federal government; I do not understand why it should be in the hands of the province.

Mr. MEIGHEN: It does not appear to be a distinctly Dominion responsibility; is it not provincial? I know it was started some years ago and the minister is not responsible for initiating it. But what the hon. member has in mind is that the federal government has no special jurisdiction in respect of explosives. It is really just as much a matter for the provinces as is the question of health or any other matter of a civil or private character. In these days, when we are trying to contract our responsibilities, it might be well to consider whether it should not go back to the provinces.

Mr. STEWART (Argenteuil): I do not understand it was ever taken from them.

Mr. MEIGHEN: No, they never had it.

Mr. STEWART (Argenteuil): It has been the function of the federal government. The matter never occurred to me, because the function is not carried on so extensively as during the war period, when munitions, for instance, were under supervision; but it is reduced now largely to advice being given to mining companies who are using explosives, just as chemical analysis is made of cement and so on.

Mr. MEIGHEN: The Dominion government analyses explosives.

Mr. STEWART (Argenteuil): Yes, if necessary.

Mr. MEIGHEN: And gives certifcates as to the power of the explosives.

Mr. STEWART (Argenteuil): Yes.

Mr. STEVENS: It is in the nature of research work.

Mr. STEWART (Argenteuil): No; you may be purchasing blasting powder for mining purposes, you are doubtful about the strength, and you appeal to Colonel Ogilvie who will attach a certificate. The work is of that character. Then we have the examination or inspection work for safety purposes, and as to the proper storage of dangerous explosives of this character, and taking care of them for the protection of human life.

Mr. GARLAND (Bow River): Has the minister ever taken into consideration, in view of the Geneva investigation, the necessity arising for the government to take over the operation of munitions and explosive factories in this country? Has he in mind any plan in regard to that?

Mr. STEWART (Argenteuil): No, I have not given the matter of taking over the manufacture of explosives any consideration. We content ourselves with this proposition for the moment.

Mr. GARLAND (Bow River): I might suggest that it would be well for this government, or any other subsequent government to seriously consider this aspect of the explosive and munition industry. The reason I make the suggestion is that I am convinced that sooner or later the countries that are considering the possibility of establishing permanent peace, or as near as humanly possible establishing such a condition, will have to undertake either a complete state of control of munitions, explosives and so on, or a monopoly of the manufacture of them.

Mr. MEIGHEN: How many are employed in the branch?

Mr. STEWART (Argenteuil): Ten.

Mr. MEIGHEN: This work will be costing the country about $30,000, or probably $35,000 or $40,000 a year. Is that estimate about right?

Mr. STEWART (Argenteuil): The duties of the branch are to examine plants; and in order to carry on any sort of reasonable inspection or reasonable protection, I would not think that would be too large an amount to spend.

Mr. MEIGHEN: What was in my mind was this: The branch was developed in the first place on account of the tremendous explosive shipments, and also as a safeguard to the public. When the branch was instituted we were shipping explosives in very large quantities through the country. As I recall the work of the branch, it was largely devoted to seeing to the proper storage and transmission under civil conditions of the explosives. We are now past that time entirely, and, so far as explosives are concerned, we are using them for civil purposes only, and consequently it does not seem unreasonable that the provinces should be asked to do what is undoubtedly their work, as the work is necessary.

Mr. STEWART (Argenteuil): It may be a question as to the work being done by the provinces, but I think my hon. friend will agree with me that it could be done much more efficiently from one central point. He will also agree with me that explosives at best are subject more or less to the danger of explosion, and consequent serious loss of life and property. So far as I can remember, we have not had any serious accident recently. It is true the staff was very much larger when we were passing through war days, but now that there is only a civil responsibility it has been greatly reduced.

Mr. MEIGHEN: If ever the minister's authority to place restrictions on transmission and storage of explosives for civil purposes is questioned, I would strongly advise him not to follow the obstreperous conduct of the Minister of Labour (Mr. Murdock) and carry it to the Privy Council, and then quietly and with dignity withdraw.

Mr. STEWART (Argenteuil): My hon friend will admit that explosives must be carried by the transportation companies passing through the provinces?

Mr. MEIGHEN: Yes.

Mr. STEWART (Argenteuil): And the question of jurisdiction may be seriously questioned.

Mr. MEIGHEN: I think it is cheaper in the end.

Mr. CRERAR: Is there any obligation on the part of individuals or concerns owning or controlling these explosives to have them analysed and reported upon?

Mr. STEWART (Argenteuil): I do not want to raise the question of jurisdiction; I would much rather not, but as we are operating at the moment, yes. The question of whether we have authority might be doubted, but we are doing it, and they have to comply.

Mr. CRERAR: Is any fee charged for the service rendered by the department?

Mr. STEWART (Argenteuil): No.

Mr. MEIGHEN: Should there not be a fee?

Mr. CRERAR: That is the question I was going to ask.

Mr. STEWART (Argenteuil): In case of practical inspection and inspection of magazines, yes, but not in the case of smaller inspections.

Mr. MEIGHEN: Should not the matter of certificates as to the quality and power of the explosives be covered by the owner?

Mr. STEWART (Argenteuil): That is usually covered by the factory inspection.

Mr. MEIGHEN: What is the revenue of that branch of the department?

Mr. STEWART (Argenteuil): I cannot answer the question accurately, but it is in the neighbourhood of $2,200 or $2,300.

Mr. MEIGHEN: Very little.

Mr. STEWART (Argenteuil): Very little. We are not featuring the fee part of it. There are two things to be kept in mind; the protection of the public, and the guarantee of the material in the explosive itself.

Mr. CRERAR: It seems to me that it would be quite proper and appropriate that some charge should be made for that service. I may be wrong, but there is certainly a principle involved in it.

Mr. STEWART (Argenteuil): I am not going to quarrel with my hon. friend about whether or not we should do it, but it seems to me it is rather important service. I quite see the force of his argument. If the question were raised as to jurisdiction, possibly we would find we were in the same difficulty that we experienced in other cases; but inasmuch as those explosives are being carried about the country, it seems to me we are warranted in spending a reasonable amount of money in the protection of human life alone, disregarding any question of property damage. If the expenditure does not exceed $30,000, it is not a very great sum for this purpose.

Mr. CRERAR: I do not agree there. If the expenditure were $150,000 I would judge from the minister's remarks that he might argue that a charge should be made, but because it is a small amount he says it is not of much consequence. In the inspection

and weighing of grain, for instance, the government make a charge for the service rendered. Why should not a charge be made for such services as are rendered under this act?

Mr. STEWART (Argenteuil): There is something in that argument.

Mr. MEIGHEN: There is a lot in it. It may not be so vast in consequence here, but I know I was impressed, especially toward the end of the term of office of the late government, with the fact that a very considerable revenue could be secured, and ought in principle to be secured, from many of the services rendered by the crown, in the Department of the Interior as well as in other departments such as Railways and Canals and Trade and Commerce. It is true the Grain Act is a relatively new act and there, on account of the large amount involved, the principle has been rigidly followed; in fact, some say it more than pays its own way, but it is about the only thing that does. There are some services rendered in various departments of government where if a thorough inquiry was made, if somebody was asked to give his attention to the question, he would find that the people who get the benefit would pay the money, and ought to pay it. That would very much relieve the general taxpayer, who should not be asked to assist this, that and the other man in his own calling.

Mr. CRERAR: There is a very noticable tendency in recent years to extend what are called services, ostensibly on the ground that they are for the public good when they are really for the benefit of private concerns or persons; and the principle is a dangerous one. It simply increases the burden laid on the taxpayer. I suggest that the minister consider the question seriously. Perhaps he could dig at least enough revenue out of this to meet the cost of administration.

Item agreed to.

Mines Branch—	
For investigation of mineral resources and deposits; of the mining and metallurgical industries, and of mineral technology; wages, expenses of testing and research laboratories, investigations by Dominion Fuel Board, including salaries and all other expenses..	$200,000
For publications, English and French, purchase of books, laboratory supplies, intruments, miscellaneous assistance and contingencies..	40,000
For transportation charges from outlying provinces on ore shipments which may be sent to the ore dressing plant of the mines branch at Ottawa for testing purposes, under regulations approved by the Minister of Mines..	5,000
Mines Branch—*Con.*	
To compensate J. H. Fortune for quarters, fuel, light and water supplied him as resident caretaker of the Mines Branch building, Sussex St., vacated because of the necessity of utilizing the caretaker's quarters for storage and laboratory space.. ..	400
	$245,400

Mr. SIMPSON: The minister has had under consideration the question of assistance to the development of the iron ore industry; has he arrived at any decision in that connection?

Mr. STEWART (Argenteuil): The department has had a request to join with the Ontario government in assistance to the development of the iron ore industry by way of a subsidy. We are doing a good deal of investigational work, but we did not feel the time had arrived when we could accede to that request.

Mr. FORKE: What is being done in the way of investigation of mineral resources?

Mr. STEWART (Argenteuil): For the division of mineral resources we spend $35,000; division of ore dressing and metallurgy, $60,000; fuel testing, $60,000; ceramics division, ceramics, $6,000; road material, $4,000; Dominion Fuel Board, salaries of staff, $9,000; power fuel survey, $10,000; investigation of the use of wood as an auxiliary fuel in Ontario and Quebec, $5,000; publication of reports, $5,000; special investigations to be carried out by secretary's office, $4,000; investigation of the process for converting fuels high in volatile matter into a form suitable for domestic purposes, $2,000. These are some of the main items.

Mr. FORKE: Does the government do any prospecting for minerals, on its own account?

Mr. STEWART (Argenteuil): No. We have a number of geological parties in the field, but it is for the purpose of making public the information we gather; it is not for the purpose of developing for the government.

Mr. STEVENS: Can the minister give us any information with regard to the question of establishing an ore dressing plant in British Columbia?

Mr. STEWART (Argenteuil): When I came to the department there was a vote in the estimates for the construction of a plant, but we did not go on with the construction; instead we put in a vote for a year or two for the transporting of the ores down here and their testing in the laboratory. However, there was very little advantage taken of that

provision, and I have cut the vote this year, but we are prepared to make all these tests and carry the ore down free of charge to the prospector.

Mr. STEVENS: I think perhaps the main reason why this has not been taken advantage of is that the distance is great, and the quantity that can be sent is small, and other than in some odd specific cases it would scarcely be applicable. The minister is aware of, and I know he is quite sympathetic with the immense development in mining in British Columbia; the same applies also to northern Ontario and northern Quebec, but I am speaking now of British Columbia particularly, and of the existence there of a great variety of minerals, some of which are minerals of commercial value, and others of a more complex nature. What struck me when I was over in the Old Country last autumn and saw the display of minerals in the Canadian building at Wembley—not at the government's expense, I want to make that clear—was this, and I mentioned it to some of the officials in charge. I think it would have been very desirable if we could have shown in greater exactness and more detail the availability of these minerals, the quantities, and so forth; because I discussed with some industrialists over there certain matters regarding minerals in Canada, and they seemed not to be very well informed.

An ore dressing plant such as has been suggested, if established in British Columbia to deal with some of our complex ores, might be able to find a system of handling them that would enable us to get into the world market minerals that are at present in the country, but are not being recovered at commercial values at the present time. Of course, it would be of tremendous advantage to the country at large if some of these mineral resources could be so developed. I know the difficulty about the establishment of such a plant. There is the question of locality; personally, I am not mentioning locality at all. All I want to see is an ore dresing plant situated where it can be utilized, and that is a question for the minister's officials to deal with.

In addition to that, there is the question of just how to get the plant operating so as to get the most benefit from it. This vote of $5,000 by which ores can be sent in small packages three and in some cases over four thousand miles, coming from northern British Columbia, is not, I submit, of very much value. I am not criticizing the existence of the vote, but I do not think it meets the case. I would suggest to the minister that this whole question should be taken up again, having in mind a genuine endeavour to market in a commercial way the various metals and minerals that we have in Canada. I have expressed myself imperfectly, but I think the minister will grasp what I mean. I think that the establishment of an ore dressing plant, or some other method, if there is a better one, of ascertaining the values of these ores and working out a commercial process for marketing the minerals would justify some effort and some expenditure.

Mr. HUMPHREY: I am in thorough accord with the remarks of the hon. member for Vancouver Centre (Mr. Stevens). I am quite convinced, and have been for some time, that it is necessary to have some method of treating and dressing the ores of the different provinces, and especially those found in the province of British Columbia. We have an abundance of complex ores in that province, and it is only necessary for them to be treated to a certain extent. If advantage has not been taken of the provision whereby ores can be transported free to the testing station here at Ottawa, I think it is because of the distance, and also because the results of these tests do not go far enough. I have had representations made to me that while the results obtained from the department are very good in respect to defining the content of these ores, the department might go further and furnish the values of the minerals that are to be found in these ores. The principal part of this work is really done by the prospector. He goes out into the mountains and discovers certain deposits. He sends samples to the department here to find out what they contain. When he gets the findings, he must go still further and send the result of these tests to the assayer to ascertain the values. I believe it would be of great assistance to the prospector, who is the pioneer in the mining industry, if the department would also furnish the values with the result of their tests. It has also been brought to my attention that the private institutions connected with the mining industry of British Columbia do at the present time furnish these tests. They carry on a certain amount of that work, and they also give the values in connection with their tests. But with the increased activity in mining, these private institutions will be unable to go that far on account of the many requests that are coming to them, and it has been represented to me that inquiry be made of the government as to whether the department here could not furnish the values. I am well aware that

such a privilege could be abused to some extent by large corporations, if they saw fit to take advantage of it, but I believe that the request in this matter has been asked on behalf of the pioneer prospector, and such a provision would be of great assistance to him.

Mr. MANION: The question asked by my hon. friend from West Algoma (Mr. Simpson) brought up a subject on which I wish to make a few remarks, and I think they will be as applicable here as on any other item. I refer to the iron ore bounty. My hon. friend coming from that section, like myself, is naturally interested—and so, I believe, is the whole country—in this question. While the minister said that they had not yet decided to recommend any co-operation with the provincial government, at the same time I should like to impress upon him, as the hon. member for West Algoma and others have done on previous occasions, the importance of giving very serious consideration to the question. It is not just a local question. One of the reasons why the National Railways, indeed all the railways in this country, have found it difficult to carry on has been a shortage of freight, and that is particularly due to the lack of population in that gap of more or less unsettled country between North Bay and the Manitoba boundary. We have an area there as large as the British Isles and the German Empire combined, and yet while they have one hundred and ten millions of people, or thereabouts, in those European countries we only have in this northern Ontario section about 150,000, so that this area forms an immense gap where neither passenger nor freight traffic, nor population, is as large as it should be. Therefore the whole of Canada, as well as northern Ontario, is interested in developing the iron industry which is one of the basic industries in commercial processes throughout the world. There is no country in the world that is really a great commercial country that has not its prosperous iron industry; and there is this further fact to be remembered in our case that we import from the United States something like $150,000,000 or $175,000,000 worth of iron and iron products each year. I should think that, in view of the past history of this country in helping various industries with bounties, enterprises which have been built up into very large industries, the government might well consider co-operating with the province of Ontario which has proposed to grant a bounty in unison with another bounty from the Dominion government. I think the government might very well give very serious consideration to that idea between now and the next session of parliament. I do not believe that at this late day in the session there would be any likelihood of bringing the proposition to a successful issue; but this is a question which has been a very live one, which is being agitated very strongly not only in northern Ontario, and down in the Maritime provinces, but in British Columbia as well. We have also heard of deposits being found in Manitoba; that province has ore deposits which also might be utilized in the same way. There is this fact to be remembered too: If we offered a bounty, in co-operation with the bounty proposed by the government of Ontario, and the project were not a success there would be no money spent. There is a further fact to be borne in mind. The Minister of Finance (Mr. Fielding) has pointed out on the floor of the House on different occasions—I heard him do it some years ago—the great success that was met in the case of the steel industry in Canada through the bounties that were given by the Liberal government between 1896 and 1906, or thereabouts. I believe that even my hon. friends to the left who are free traders—or a large number of them,—if they were convinced that a bounty for a time would start a basic industry such as this, would probably not feel that it was as harmful a type of protection as they consider some of the other forms are.

Mr. CRERAR: A most vicious kind.

Mr. MANION: What did my hon. friend from Marquette say?

Mr. CRERAR: I was just remarking to one of the hon. gentleman's friends over there that probably the bounty system is the most vicious kind of protection.

Mr. MANION: I do not agree with my hon. friend that there is anything vicious about protection, I do not think there is—my hon. friend and I differ as to that. But even if there were, I have read a statement on the question of protection by many of the best authorities, professors of political economy and others, to the effect that the bounty system is the least vicious—using my hon. friend's term—because it is a straightforward method, you know exactly what you give and what returns you get, and in many cases there is no possibility of building up the desired industry by any other means. However, that is by the way. I just wish to impress upon the minister once again the necessity of a serious consideration of the whole question; and I hope that between this

and next year the government may give some thought to this question—as has been given in the past by various governments—the granting of iron ore bounties on the line of the steel bounty, the lead and zinc bounty, the oil bounty, and various others. I believe it would be entirely in the interests of Canada if the government could see its way clear to co-operate with the province of Ontario in this matter.

4 p.m.

Mr. FORKE: The provinces of Ontario and British Columbia have been mentioned by the hon. member for Fort William and Rainy River (Mr. Manion), and he has also spoken of Manitoba. I thought, therefore, I would quote to the House a statement made by Professor Wallace, of the university of Manitoba, that the day would come when Manitoba would be more famous for its minerals than for its agricultural produce. So that we are not at all blind to the fact that Manitoba has a great future in store for her as far as mineral production is concerned. I shall limit myself to mentioning this statement without at all going into the question of free trade versus protection at this time.

Mr. JELLIFF: Is the department making any investigation as to our oil resources, or the utilization of the tar sand in our north-western country?

Mr. STEWART (Argenteuil): I might answer the question in the affirmative although the subject is one which comes up more appropriately under another vote.

Mr. STEVENS: Is the government considering any scheme for the development of the iron and steel industry—that is the utilization of our great deposits of iron ore—in a manner similar to that adopted by the British government under the Aids to Industry Act? Has there been any proposal for, or consideration of, a plan of that kind, in contra-distinction to the bounty system, or supplementary thereto?

Mr. STEWART (Argenteuil): May I say in reply to my hon. friend first, that I am not familiar with the details, but I believe a proposal of that kind has been discussed between members of the government and representatives from British Columbia, but I do not think any action has been taken on the matter at the moment, although a considerable amount of discussion has occurred. But, dealing with the question raised by the hon. member for Fort William and Rainy River, namely, the question of assisting in the development of the iron industry in Canada by way of a bounty, let me say that I do not go the length to which my hon. friend from Marquette (Mr. Crerar) goes in characterizing this as a most vicious kind of protection. So far as the Mines branch of the federal government is concerned at the present moment, having in mind perhaps that the most important service that could be rendered would be the evolving of a process of dealing with these low grade ores, that we are bending all our energies, working in conjunction with the American Department of Mines or any other informative source that we can find, to ascertaining whether or not a process can be developed that will make it profitable to mine and transform into pig iron the low grade iron ore that we have in Canada in large quantities. There is no question but that if that could be done we would be in a very different position in Canada from the one we now occupy; and that many of the things suggested by my hon. friend (Mr. Manion) would come about. We are very much alive to the importance of the question, and feel that perhaps we can render a great service at the moment by investigating every one of these processes that comes under our notice. At the moment we are working on an electrical process that we hope will prove a partial solution at least. I hope that before long some one will evolve a commercially feasible process. I can quite appreciate the desire of the Ontario government to lend encouragement along the same line; but we feel that for the time being we can best serve the development of this industry by what we are doing to-day.

Mr. STEVENS: Has the minister in mind the granting of any other form of assistance this session?

Mr. STEWART (Argenteuil): My hon. friend has reference to the iron industry?

Mr. STEVENS: Yes.

Mr. STEWART (Argenteuil): No.

Mr. MORRISON: Will the minister tell us what the expenditure on the coal briquetting plant has been in the past year, and what the department is doing during the coming year in connection with that plant? Are they still co-operating with the governments of Manitoba and Saskatchewan in their experiment?

Mr. STEWART (Argenteuil): We have not done anything during the past year. Speaking from memory, about a year ago we entered into an agreement with the owner of the mines, Mr. Sutherland, that the three governments would take over the plant and develop the process. My understanding through Mr.

Molloy, Commissioner of Labour and Industries for Saskatchewan, whose duty it is, I believe, to supervise to some extent this investigation, is that Mr. Sutherland is anxious to test out a process they have developed in Germany, and with that object in view has shipped over a very considerable amount of coal which is being tested by the German process in the hope that it may be superior to what our investigations have developed so far. However, we do know that we can make briquettes successfully, although perhaps the cost is a little more. I do not know whether Mr. Sutherland expects to reduce the cost or not, but he seems to be enamoured of the process developed by the Germans and wants to try it out thoroughly. He is on the spot himself watching the process, and we have a representative there also for the same purpose so that we may have full information. He wants to do that before he begins the making of briquettes at the plant now in existence.

Mr. WARNER: The minister speaks of low grade iron ore. Is it low grade in quality or just low grade in quantity? That is, is the return low grade?

Mr. STEWART (Argenteuil): It is low grade in quantity. The hon. member means low grade in metal content?

Mr. WARNER: Yes.

Mr. HUMPHREY: What is meant by low grade in quantity?

Mr. STEWART (Argenteuil): It is about 35 per cent.

Mr. WARNER: Is the development of the salt mines in Alberta carried on by the Dominion government?

Mr. STEWART (Argenteuil): No. Any drilling that is being done there is being done by the provincial government. The hon. member refers to McMurray, I presume.

Mr. STEWART (Leeds): Would the minister give a little more in detail the activities of the Fuel board during the past year whether they have abandoned all experiments with peat, and what the minister has in mind of any particular new field of investigation or development during the coming year?

Mr. STEWART (Argenteuil): While we are getting the memorandum regarding the investigational work, I might deal with the peat problem. This problem has been carried to the point where we have proved that it is a commercial possibility and that we have a process that will work successfully. Since that time both governments have agreed that the matter has now entered the field of commerce. I think we are both of the same opinion, that it can best be developed by private enterprise. That is being attempted by a company, organized, I think, in Montreal. I understand they are ready to operate now at Alfred on the bog. The machinery was turned over to them on a guarantee that they would continue to operate and produce peat.

Mr. PARENT: Lately in glancing over the report of the Department of Mines of the province of Quebec, I was reading reports concerning the titanium ore deposits in that province. It was stated in the report that there is any quantity of titanium ore in Quebec. Does the Department of Mines at Ottawa know something about this, and has it ever ventured to find out whether this ore is of value to the country?

Mr. STEWART (Argenteuil): We have a report on the ore mentioned by my hon. friend.

Mr. HUMPHREY: I am not just clear on this question of testing or treating ores. Would the minister explain the procedure in regard to testing a shipment of ore coming to headquarters at Ottawa? Have the department had any requests in regard to furnishing assays of ores that are sent in?

Mr. STEWART (Argenteuil): We are not attempting to do this work in any commercial way. I think the hon. member mentioned the fact that the prospector was not in a position to get tests made for which he would have to pay. That is just the field that we are trying to fill, to test all the discoveries of the prospector. I do not say that we are confining our efforts entirely to that, but our chief desire is to lend that aid to the individual who has spent his time and money in trying to discover mineral. After the assay is made and the various minerals that usually are found in the sample are discovered, we try to work out a process that we can give him for his information. We advise him as to what the ore contains in pounds and as to the best method of treating and handling that particular sample. It is true that we do not furnish the actual dollars-and-cents value of the product, but that can easily be ascertained when he has at his disposal those two or three very important pieces of information.

In reply to the hon. member for Vancouver Centre (Mr. Stevens), we put no restrictions on the quantity which may be sent forward for investigational work here. I do not think the government of Canada should be called upon to provide a commercial plant. We are

doing our full duty by carrying out investigational work rather than by attempting to enter the commercial field or to develop this work in a large way, employing a number of highly technical men and machinery for the purpose of testing ores in big quantities.

Mr. HUMPHREY: That was the point I was interested in. I am not concerned in any way with the commercial end of the matter; I am interested in providing some way of assisting the prospector, the one who goes out and actually finds the mineral. I can go as far as to say that I have not had any representations made to me on behalf of the commercial phase of the question. When the prospector sends his ore to the testing plant at Ottawa, at the time this test is made, it might be very easy to assist him by providing an assay giving the value in dollars and cents of the metal content. If he sends his ore to the plant here and a report as to the result of the test is furnished to him, he then has to send the result of that test to an assayer. That takes a good deal of time and money, and prospectors are not in a position to do that. The fees in connection with assaying are fairly high, and if the man is constantly engaged in prospecting, he has to have a good many assays made in a season. Therefore, when the department has the prospector's ores here, it might go as far as to give him the value of the metal content in dollars and cents and he would then have the result of his season's investigation right before him. I do not think, for a moment, anyone wishes the department to look at this matter from the commercial angle. All the big commercial institutions engaged in mining carry on extensive assaying and testing plants of their own, and it is hardly necessary for commercial institutions to call upon the department.

Mr. JELLIFF: Has any investigation ever been made as to the metals in the Rocky mountains? These mountains have been piled up there a long time, much longer than I have been alive at any rate, and it is about time we were finding out what there is in them. We are under the cloud of a great national debt which, if it is to be paid, must be paid through the development of our natural resources. I am quite in sympathy with what has been said by hon. members to my right. We have coal there in millions of tons and we have everything necessary for the reduction of ores. I think therefore that a complete investigation, even if it should cost a lot of money, should be made into these resources.

[Mr. C. A. Stewart.]

Mr. STEWART (Argenteuil): We are doing geological work in the mountains every year; whenever reports are brought to us we try to investigate the possibilities of new discoveries.

Mr. BOYS: With regard to the question of peat, I remember that a few years ago, in an effort to get rich quick, I lost in peat all the money I had. I am interested to know if any progress has been made. I recall the difficulties that we encountered, the chief of which was the drying process. Has anything been invented of late to overcome that difficulty? Another trouble was that after the fuel had been manufactured by the Dickson patent process it could not be stored except under cover; and that was a great objection. I had not followed the developments in the last five or six years but I understood the minister to say that progress had been made. I should like to know something about the cost of manufacture, what the finished product can be sold for, and whether any is now being sold commercially.

Mr. STEWART (Argenteuil): The experiments were carried out at Alfred, between here and Montreal, and we did not discover that there was any short process for drying the peat. They simply spread the mud, as I call it, on the ground and left it to be dried by the sun.

Mr. BOYS: And suppose it rained the next day?

Mr. STEWART (Argenteuil): The rain does not affect it except that it takes longer to dry.

Mr. BOYS: When it is wet it disintegrates and the whole process has to be gone over again. We found that we could never get enough dried.

Mr. STEWART (Argenteuil): So far as I could ascertain down here, and I watched it closely, the whole thing depended upon the devolpment of machinery to handle the material cheaply. I have given an opportunity to everyone who has come along with a pressure process, or with some process of sun-drying, to try it out. There is an engineer here who felt that he was discriminated against because we had not given him the necessary machinery to put his process to the test, and we decided to meet his wishes in this regard. So far no process has been discovered whereby you can separate the moisture content from the peat, the composition being about 90 per cent moisture and 10 per cent solid matter. It seems impossible to bring sufficient pressure to bear to extract all the

moisture to make it decent fuel. We had an area covered with the peat and we produced about 4,000 tons in a short time.

Mr. BOYS: Was that in the crude state? As far as I know, in Ireland they dig it with a spade eighteen inches long by four or five inches wide. Where it is dense in quality it more easily sheds the water; but in the bogs in which we are interested we could not get the quality of peat that would successfully produce fuel. I am therefore very much interested in the whole subject and I should be glad to get all the information I can in regard to it. There are bogs not very far from the town in which I live which it might be worth taking hold of if recent investigations indicate that a commercial success can be made of the production of fuel in this way. The minister mentioned 4,000 tons having been manufactured. Was that produced by pressure, or was it allowed to dry in the sun?

Mr. STEWART (Argenteuil): It was sun-dried. I had some of it sent to Ottawa and a number of people burned it. It gives a strong heat although of course it is a low grade fuel. I do not think it would be more than between fifty and sixty per cent of the value of anthracite. It can be manufactured cheaply if you do not put too many transportation charges on it; a hundred miles would be about the limit you could ship it economically. And after it has been thoroughly dried it will keep.

Mr. BOYS: Is it used for steam or for domestic purposes?

Mr. STEWART (Argenteuil): It can be used for steam but it is used chiefly for domestic purposes, for fire-places and cooking stoves.

Mr. BIRD: How much of the vote approximately is spent on the investigation of mineral resources and deposits—altogether, in actual investigation?

Mr. STEWART (Argenteuil): About $95,000.

Mr. BIRD: That is, on field work.

Mr. STEWART (Argenteuil): No, this is for investigational work in the laboratories. The field work comes under the next vote.

Mr. BIRD: I think an undue proportion of the money is spent on laboratory work. I asked the minister some time ago to give me the figures with respect to the work that was being carried on at The Pas; I thought that was the only way one could ascertain how much work the Mines department was doing in actual investigation. The minister was not able to give me an answer to that question.

Mr. STEWART (Argenteuil): It is difficult to get it down quite so fine because we might have a party operating for part of a season or we might have two or three parties carrying on work at the same time, yet part of this expenditure would be involved as well. It is very difficult to separate in that way and get it down to the amount we spend in one province. If we had a party there for the whole season we could give the expense of the party. But that is not the way it is done. We have so many departments for geological investigatory work that we try to spread it over as much territory as we can.

Mr. BIRD: There is a doubt in my mind as to whether we are spending this money effectively in developing our already known deposits. I make this statement because I took a trip in The Pas mineral belt. I could see no indications at all that this department was doing anything actively to develop that district. I will admit that two or three years ago the Topographical Surveys branch issued a very excellent map, and of course that is to some extent of great assistance to the prospector, and that is the kind of thing that should be followed up. I spent two or three days in that district, and I do not think I ever heard so many complaints in so short a time from prospectors and others interested in mining. It seems to me the whole thing has been done in a haphazard way as far as that important mineralized section is concerned.

Mr. STEWART (Argenteuil): Was that my hon. friend's first visit to a mining field?

Mr. BIRD: I will admit it was.

Mr. STEWART (Argenteuil): I thought it likely.

Mr. BIRD: I think it is very significant when hard-working men—and these prospectors are hard-working men—complain that they are being neglected.

Mr. STEWART (Argenteuil): What is the nature of the complaint?

Mr. BIRD: It would take me half an hour to go over the great variety of the complaints.

Mr. STEWART (Argenteuil): Give us one or two.

Mr. BIRD: This district in The Pas is one hundred miles from the nearest town. In coming out from there I was accompanied

by prospectors who were on their way to register their claims a hundred miles from the mining district. It seems to me that is an undue hardship imposed on men who are all the time undergoing great hardships in trying to investigate our mineral deposits. I think the real work of investigating our mineral deposits is being done by the prospectors, and I do not think much assistance is given by the department. I know that a great many of their hardships were not really due to the neglect of the department, but I say that if this department were supervising the districts where there are probably a thousand men or more on their own responsibility engaged in a work of national importance, and if the department were directing their minds towards that district in any systematic way, a lot of things such as railway facilities, for instance, and post office facilities, might be provided—

Mr. STEWART (Argenteuil): My hon. friend is not blaming the mining proposition for the lack of railways and post offices?

Mr. BIRD: These things are due to the lack of consideration by this department. It seems to me futile for the department to be spending half a million dollars every year and nothing being done on the site of the mineral deposits. I should like to ask the minister what is being done in that district. I placed a question on the order paper and the minister could not tell me.

Mr. STEWART (Argenteuil): My hon. friend asked me the cost.

Mr. BIRD: That would be the most direct way to get at the facts. If we are not spending any money there of course we are not doing anything in that district. I did ascertain that the department during the last three years has collected over $70,000 from these prospectors in registration fees. I think the minister should inform us how much the department is spending in that district. Here we have a large number of men a hundred miles away from anywhere, at great hazard, living a hard life, and yet without any direction of any kind. I can see from this that most of this money has been spent on work which has been done for people who could very well do it for themselves, namely our big mining companies. The minister has been talking about the facilities they have been offering to the prospector. Last year I brought a sample to the department. The deputy was very courteous, but I could see he was restricted in his ability to grant me a test upon this sample, and the way in which he put it was this: "How are we to know that this is a genuine sample?" I could only give him my word of honour. But if that process has to be gone through every time a prospector sends a sample down here, I cannot see of what advantage that function of the department is at all.

Mr. STEWART (Argenteuil): It is very important.

Mr. BIRD: But how can the department carry it out with any advantage to the prospector?

Mr. STEWART (Argenteuil): It is really no advantage, unless it is an authentic sample and we know it to be authentic.

Mr. BIRD: Has the department any means of telling whether the samples are genuine?

Mr. STEWART (Argenteuil): Yes, we have the affidavits, and we conclude from these affidavits that the men are honest about it.

Mr. BIRD: It seems to me that in an area such as The Pas mineral belt this government should have some official with some knowledge of the situation, helping the prospectors, and giving them advice, and trying to lessen the amount of hazard there is in their work. Some of them have been in there for five, six or ten years, and they do not seem to be any nearer to their object than they ever were. I think this is due to the lack of guidance from this government.

Mr. STEWART (Argenteuil): How would you guide a prospector?

Mr. BIRD: My hon. friend may make light of it?

Mr. STEWART (Argenteuil): No, I am not making light, or attempting to make light, of it. I think a great deal of the prospectors, and they have done a great deal for Canada; but you go beyond the point when you say anyone can guide a prospector when he is out looking for minerals.

Mr. BIRD: I was not suggesting that, but there are many ways a prospector can be helped, especially as to the quality of his find.

Mr. STEWART (Argenteuil): We are doing that. We are taking the samples from the prospector at the nearest station, paying the freight on these samples to Ottawa, and when they are examined we issue a statement with respect to them, and that statement is

accepted by all the mining people of the country and it is authentic. But we have to know with whom we are dealing, and we have to know that a sample comes from a certain location, and that is all the prospector is required to prove.

Mr. BIRD: Is the department being used to any great extent by the prospectors?

Mr. STEWART (Argenteuil): Yes, we analyse every sample sent to us.

Mr. BIRD: The department has no agent on the spot to take the samples and to see that the samples are properly taken?

Mr. STEWART (Argenteuil): No, we are operating all over Canada.

Mr. BIRD: You are confining yourself to a laboratory, and not actually investigating in the field. That is my conclusion. The department is not spending money where it ought to.

Mr. STEWART (Argenteuil): Would it satisfy my hon. friend if I said that we had fifty parties in the field?

Mr. BIRD: What kind?

Mr. STEWART (Argenteuil): Geological parties.

Mr. BIRD: That is not of any advantage to a prospector.

Mr. STEWART (Argenteuil): Oh, yes, it is of immense advantage to the prospector. Parties are up in The Pas district, and have been there for some time.

Mr. BIRD: The geological party finds the mineral field and the prospector develops it.

Mr. STEWART (Argenteuil): No, not necessarily. The prospector goes out and makes his discovery, or thinks he does—he is not in every case trained in the business—and he asks for an investigation. The request does not come from the mining companies, because they have experts of their own.

Mr. BIRD: Will the minister tell me anything that the Geological Survey can do for the prospector?

Mr. STEWART (Argenteuil): Yes, it can do a great deal for the prospector. It can tell him whether or not his find is worth anything.

Mr. BIRD: And is the department doing that?

Mr. STEWART (Argenteuil): Yes.

Mr. BIRD: How much has that been costing in The Pas mineral belt?

Mr. STEWART (Argenteuil): We are making investigations all over Canada, and a party may be in The Pas field for two weeks and then transferred to another, or it may be there the whole season. It would be difficult to give the expenditure for that particular area.

Mr. BIRD: I think that is a very reasonable question to ask. Here is a well defined mineralized area; it is not a new one, and the department should certainly know how much is being spent in administration in that area.

Mr. STEWART (Argenteuil): We have no administration charges in that area.

Mr. BIRD: I mean the amount the department is spending on the development of that mineral area. I doubt whether the department is doing very much at all in that respect; nearly all its money is being spent in the laboratory down here.

Mr. STEWART (Argenteuil): Would my hon. friend agree if I said it was more important and more in the interests of The Pas district that we should spend a good deal of money in the laboratories rather than upon actual investigation or development work?

Mr. BIRD: If the minister will show me how The Pas mineral area will be developed by work in the laboratories, I will concede it; but I do not see it myself.

Mr. STEWART (Argenteuil): A prospector must have someone to test his samples and advise him as to their value.

Mr. BIRD: It seems to me that the game of developing our mineral resources is carried on in a haphazard way. Professor Wallace, speaking not long ago, said that $4,000,000 of private money had been spent in that game in Manitoba during the last few years, the whole of it practically wasted. That could not happen if we had a Mines department that was really interested in the Manitoba resources.

Mr. STEWART (Argenteuil): Why could it not happen? It has happened in every mining country. It is happening in Ontario to-day, in Quebec, and in every province where there is development of any moment. The men who discover the minerals are the prospectors with the packs on their backs who go out and take their chances. We stand ready to advise them with regard to their samples, all that they will send to us.

Mr. BIRD: Does the minister call that investigating our natural resources—sitting

here in a laboratory and waiting until other people go out and get the material?

Mr. STEWART (Argenteuil): Does the hon. member suggest that it is the business of the government to go out and discover minerals?

Mr. BIRD: If the federal Mines department were like the provincial departments, it would do more than it is doing. That is why Manitoba mining is so far behind that of other provinces.

Mr. STEWART (Argenteuil): What department of mines is going out to discover minerals?

Mr. BIRD: The Mines departments in British Columbia and Ontario—

Mr. STEWART (Argenteuil): No, neither one.

Mr. BIRD: —but they are taking a keen interest in the development of their provincial resources. I am not blaming the minister; this is not a matter which has arisen since he took charge of the department. It is because the natural resources in our province are owned by the Dominion. There is only so much our province can do in this direction, but it has done all it could; it has helped to build a road in there. And now I want to know what the Dominion government has done to develop that country. Almost everything the Dominion government has done has been done half-heartedly. I was up the railway last fall and I was told by one of the mining companies there that they scarcely ever had a shipment of goods without some of it being stolen from the siding. Is that encouraging our mining men up in that district? Not only that, but in numerous other areas there is every sign that there is no push from Ottawa toward the development of our mining areas in northern Manitoba. It all arises from the fact that we do not own our natural resources.

Mr. STEWART (Argenteuil): My hon. friend suggests that if the provincial governments were in charge, more would be done for the mineral development of the province —and I am now eliminating the railways and the post office and the other services, because the Mines department has nothing to do with them.

Mr. BIRD: They have.

Mr. STEWART (Argenteuil): Well, it may be a question for the government generally, but I am speaking now of the Mines department only. We do practically all the geological work that is being done in British Columbia; it is part of the pact of union that that work should be carried on, particularly in view of the fact that there are known to be huge deposits of ore in that province. We have done identically the same thing in Manitoba. It is true that the Department of Mines of British Columbia are ready to make assays and so on, to a limited degree, as is being done in Ontario. But I hope my hon. friend does not think there is any way of our organizing a search for minerals. That has always been done by the prospectors, in whom he is interested, and in whom I also, am interested. The prospector is the man I want to help because he is the real pioneer in mineral development; he has to put up with all the difficulties he meets with in going into the unbroken wilds. If he thinks he has found anything we can give him expert advice on it. It is true he has to go a long distance to register his claim, but we could not establish recording offices in every centre. The Department of the Interior does establish these offices wherever the business warrants it, and there is a general endeavour to facilitate the development of the mining industry as far as possible.

Mr. BIRD: Does the minister not think his department is under greater obligation to develop the mineral districts of Manitoba than those of British Columbia?

Mr. McBRIDE: Absolutely not.

Mr. BIRD: They own their mineral resources and we do not. Surely the minister admits that.

Mr. GARLAND (Bow River): I would like the minister to get back from the rocks into the bog for a little while. When was the experimentation in the development of peat fuel started; how much has been expended to date, and what has been the total revenue from the sale of the product?

Mr. STEWART (Argenteuil): The experiments were organized in 1918, the costs being met to the extent of fifty per cent by the Dominion government and fifty per cent by the Ontario government. In 1920, 6,000 tons were manufactured; in 1921, 4,000; in 1922, 4,700. The peat was sold in approximately twenty-five cities and towns in eastern Ontario and Quebec, at a price, f.o.b. cars at Alfred, Ontario, of $5 a ton.

Mr. GARLAND (Bow River): Does the minister seriously think that it is advisable to continue experiments of this kind from the point of view of solving the fuel problem of the central provinces?

Mr. STEWART (Argenteuil): We are not doing anything with peat at the moment except endeavouring to discover whether there is any better process, because we consider that so far as the air drying process is concerned we have solved that problem. The peat bogs of Canada are not nearly so old as those of Ireland, and you cannot treat them in the same way. There is a tremendous amount of water in our peat, and we think we have solved the drying problem by the air drying process, so that peat can now be marketed within a reasonable distance of the bog itself in a commercial way, and become a reasonable adjunct to the other fuels, but we are still willing to investigate, although we are not spending any large amount of money, any process of pressure that might be discovered that would seem to shorten up the drying process.

Mr. GARLAND (Bow River): I do not wish to be regarded as in any sense desiring to restrict reasonable experiment, but frankly I think the experimentation in this case has been continued long enough and the time has come now to stop. If the government is satisfied that a process has now been discovered for marketing peat commercially, let that continue to be developed by private interests and let the government cease this experimental work. If we could turn sums of money of this kind and similar sums to the reduction of transportation costs, for example, on the movement of the real fuel of the country, which is coal, to the central areas, I think it would be much more advisable. Does the minister intend to continue asking for large votes annually for a continuation of this peat experiment?

Mr. STEWART (Argenteuil): Oh no, we are not asking for any large sum. I thought I made it clear to my hon. friend that so far as this experiment is concerned, we have concluded that it is finished; but small sums are being expended from time to time investigating pressure processes that would appear to shorten the drying process.

Mr. GARLAND (Bow River): What was the total vote last year for peat development?

Mr. STEWART (Argenteuil): There was no vote last year.

Mr. GARLAND (Bow River): What expenditure was made?

Mr. STEWART (Argenteuil): Only a very small sum. Peat is mentioned in the general list of experiments, but only because someone may come along with what might appear to be a better process for pressing out the moisture.

Mr. GARLAND (Bow River): Then actually the amount to be spent on this work annually will not be more than a few hundred dollars?

Mr. STEWART (Argenteuil): That is true.

Mr. HUMPHREY: I wish to come back to the question of mineral ores, in which there is a little more money than in peat. With reference to the remarks made by the hon. member for Nelson (Mr. Bird) I may say that so far as I am personally concerned I have lived a lifetime with the prospector and there is no one who has a greater respect or a higher regard for the prospector than I have. The prospector is not a man who will be guided when it comes to prospecting in the hills. The kind of assistance a prospector wants is a grub stake, and it is not through some organization that the prospector functions. But he does want assistance from the different governments, I quite admit that; and I am afraid that the assistance that is being given to the prospector is falling off to some extent. While no headquarters organization will ever be able to guide the prospector in any shape or form, he does need assistance in determining the content and the values of his discoveries. With regard to the remarks made by the hon. member for Nelson in reference to the work of the Mines department, I must disagree with him. From my own personal experience and the experience of others, I know that the Mines department has been doing a wonderful work in developing the mining industry in British Columbia. I cannot speak for Manitoba, but I can say that the wonderful activity in mining that is taking place in British Columbia at the present time is due to the research and scientific methods that have been discovered and approved by the Department of Mines. I would like the federal government to go further and give every possible assistance to the prospector by telling him what is in his ore and the values. That is the one point I would like to urge upon the minister.

As far as the geological work and other work that has been done by the Mines department in the past is concerned, I can only commend it. As a result of that work, mining engineers are now able to go into different localities in the several provinces without any waste of time or money and develop the mineral resources there. In that way the Mines department, while I will not say it has done everything possible, has assisted the mining industry to a very great extent, and

I only hope that they will continue to work along these lines, because the actual results that have been brought to my notice speak very highly of the work of the department. There is, however, need of a good deal of co-operation between the provincial governments. Of course, we fully understand that the mineral resources in the province of Manitoba are in a somewhat different position from those in British Columbia, because in Manitoba they are under the control of the Dominion government, whereas in British Columbia, outside of the Dominion belt, they are under the control of the province, and it is through road building and in other ways that help is given to the prospector. In the past few years I know that the number of prospectors throughout the Dominion has been falling off. I trust this is not due to lack of assistance from our federal and provincial governments.

Mr. LeSUEUR: During the sessions of 1923 and 1924 the status of the oil fields and the oil industry in Lambton and Kent counties was argued at some length in this House, and after much urging the government consented to an investigation. My information is that Dr. G. S. Hume, the geological expert, and Mr. Russell, an expert more I presume in financial matters, went up there and made an investigation at considerable length, with the assistance they could receive in that section. The situation of the oil fields and of the oil industry in those two counties, Lambton and Kent, is so serious, and was so serious, that those interested sent for the third time in the third successive session a deputation to Ottawa to take up with the government the question of continuing the assistance which has been given to them by way of bounty. To my mind it was most important that the reports of these two gentlemen should be before the House and before the government in considering the request of that deputation, and for that purpose I put a motion on the order paper asking for a copy of the instructions given to Dr. Hume and Mr. Russell in connection with their visit to the county of Lambton, and of all letters or reports written or made by them or either of them thereon, and all correspondence relating thereto. The return to that order I have here, No. 187, and it reads in part as follows:

A copy of the instructions issued to Dr. Hume covered by this order is attached hereto.

Passing on, the meat of the return is this:

No report on the Kent and Lambton counties fields was requested from Dr. Hume in the instructions issued to him, and none was made, nor will any be made by him thereunder. There is no information on file in the Department of Mines concerning instructions to, or a report by Mr. Russell.

I have brought this matter up because I thought these reports were most important in the event of either the government or this House deciding on the question of continuing the bounty in the Kent and Lambton oil fields. To the producers in those fields this is really a matter of life and death, as was explained in the arguments on this subject formerly presented in this House. My information was that Dr. Hume did make a full report to the department, and that Mr. Russell also made an exhaustive investigation and reported to the government. When I received the return saying there was no report and no report expected, I took it up with a gentleman who had been to Ottawa in three successive years with these deputations to the government, and I wish to read what he writes in reply:—

Your letter of April 25, last, advising of the result of your effort to get before the House Dr. Hume's report on the condition of our oil industry here was received in due course.

While it may be true that no report was requested from Dr. Hume when he received his instructions to visit and investigate this field it is hard to understand a government official, at the country's expense, going to the trouble of making such an investigation and not being required to report back the result of such investigation.

Very soon after his arrival here Dr. Hume saw me and explained to me the purpose of his visit. I raised the question of the effect of the removal of bounty on oil and he then told me that he was not here under any instructions from the government to secure information in connection with the bounty controversy but that the object of his visit was to secure some information for his own particular department. He then stated that he thought it quite proper and necessary to report to his department his opinion of the result of the removal of the bounty and he asked that we give him such information as we had on the bounty subject.

Every facility was given Dr. Hume to make a thorough investigation and following his investigation a meeting of our producers was held attended by Dr. Hume and at this meeting the bounty matter was fully gone into and Dr. Hume made rather copious notes as to what was said. Following this meeting of our producers Dr. Hume prepared a report for his department at Ottawa and as he was not returning to Ottawa from here it was his intention to forward this report by mail. Before posting it Dr. Hume called upon me at my office, read the report to me, made some changes suggested by me and stated that it would be forward to Dr. Camsell that day, Friday of the week. I was in Ottawa on the Monday following the Friday Dr. Hume was in my office, saw Dr. Camsell in his office on Monday morning, he admitted to me that he had just received Dr. Hume's report, that he had not had an opportunity to read and consider it but that he purposed having some copies made and would go into the matter later on. As a result of some of my efforts the Minister of Mines, Hon. Mr. Stewart had Dr. Camsell call at his, Mr. Stewart's office, with the report and I saw two typewritten copies of the report in Dr. Camsell's possession in Mr. Stewart's office.

I have gone into this matter with considerable detail because I believe that when all these particulars are brought to the government's knowledge they will realize that a blunder has been made some place when the return was brought down declaring that Dr. Hume had never made any report. I believe we are entitled to have this oil bounty matter discussed upon its merits and are entitled to have this report as well as the material and information collected by Mr. Russell submitted to the House.

Yours truly,

I. GREENIZEN.

I believe that an injustice has been done to these fields for the numerous reasons which have been thoroughly threshed out already. This investigation, in my opinion, has thoroughly corroborated every statement made in the House in regard to the situation in these two oil fields. It was therefore with the utmost surprise that I read the statement in the return that no such reports had been made. I wrote to Petrolea about the matter, and the reply is what I have read.

Mr. STEWART (Argenteuil): Dr. Hume's instructions were to visit that field on his way west and to make an investigation for the information of the deputy minister—for his information alone and for the benefit of no one else—as to the situation with respect to oil alone and not with respect to bounties. The granting of a bounty, or otherwise, is a matter of policy. Mr. Fielding, rightly or wrongly reduced the bounties and since that time a gentleman—I have forgotten his name, but he has been here on several occasions—has been in my office repeatedly. He has pointed out that the production has fallen to such a low point that ruin would absolutely ensue unless the bounties were continued. Let me say frankly that speaking personally I never concealed the belief that in the event of oil being discovered in large quantities in Canada the amount of bounty paid would ruin the country, but so long as the bounty was confined to the Ontario fields it would not be a serious matter. I take full responsibility for advising these producers that I thought the industry was surely now in the position to carry on without assistance from the federal government. I merely mention that in passing.

5 p.m.

Coming back to Dr. Hume, his report was of a confidential character; I cannot speak for Mr. Russell, I do not know why Mr. Russell was sent there, and I have no knowledge that he did make a report. If Mr. Russell was sent there officially to prepare a report, I have no complaint to make, but the point is this: Where a question of policy is concerned I do not think it is the business of a government official to pass his opinion upon it. He is an expert in his own line, but cannot be accepted as an authority on matters of policy—as to what ought to be done in the way of reducing or enlarging bounties, or otherwise.

Mr. LeSUEUR: The first point made by the minister as to the ruining of the country by leaving this bounty on in the event of a large production is easily answered by the suggestion made by the deputation that the bounty should only be applicable to the first five barrels per well, or to some limited amount per well, which would answer fully the purpose and avoid entirely the possibility that the minister mentioned. But now, the point is this: The reply given in the return says that no report on the Kent and Lambton fields was requested from Dr. Hume in the instructions issued to him, "and none was made nor will any be made by him thereunder." Now, the minister admits there was a report. Whether that report was confidential or not, it was a report; yet a return was brought down to the House which contained a statement to the contrary, and which, according to the minister's own statement is not accurate. The minister says the report was confidential. But why should a report on the oil fields be so regarded?

Mr. MEIGHEN: Hear, hear. It cannot be confidential, it is absurd.

Mr. LeSUEUR: The formation of a policy on a matter of this kind depends on the facts as they exist. Those facts were reported, and it was essential that the House should be made acquainted with them, and should know that previous statements made in this House were accurate. Then the House could adopt what policy it pleased, and continue or eliminate the bounty as it saw fit. I think the House was entitled to the facts. The investigations in question were made by the government at the country's expense, and I think we are entitled to have his report. We are entitled to know what the conditions are in those oil fields and then we can take such action as the circumstances call for. In any event it was improper to have said in an official return that there was no report because the minister has admitted that there was a report, but that it is confidential.

Mr. STEWART (Argenteuil): There comes to the department any number of reports of a confidential character that are not requested to come in that way, that are not intended for the use of parliament. There is a vast difference between these reports. We deal with so many and so varied subjects that my hon. friend may be excused for putting

this in the wrong category. We have to get confidential information, and confidential information that we get for the purpose of advising ourselves may take on a vastly different character if made public. I understand that Dr. Hume was sent there on his way westward. He did not come back to make any report on this matter, but he wrote to his deputy minister a short letter of a confidential character which now, it develops, he showed to the gentleman mentioned in the letter whose name I have forgotten. I am perfectly willing to accept the statement. If that is the case, it is absolutely news to me. Of course, the report could be no longer confidential. It was public property; he knew it, and in all probability he saw that information in my office. I do not deny that, but I have always treated that report as one for our own information in the department. In view of what my hon. friend has brought out, I am perfectly willing to lay the report on the table of the House and to treat it no longer as confidential. But I would want it understood that I am at liberty to get confidential reports in the department for my information.

Mr. MEIGHEN: The hon. member for West Lambton (Mr. LeSueur) has certainly, more by accident than anything else, exposed this afternoon what is a too-common practice on the part of this government. Whenever anything comes out of a public nature which the government would prefer not to be known, it immediately becomes in the eyes of the government confidential; only that can be published which pleases the eyes of the government. In the first place, if one has to assume that the government has a right to regard as confidential the report of an official on a public question, obtained at public expense, a question that has been debated in parliament. This return is absolutely false, and it is brought down on the minister's authority. This return says that the official made no report; that he was not asked to make a report and that he was not going to. Does the minister suggest that is the truth? It is a deception of parliament. If it had not been that an outsider saw that report, parliament would never have known differently. Certainly the department stands in a most unenviable position in relation to this matter. But this report cannot be confidential. Certainly a government has a right to confidential reports on subjects with respect to which there would be danger in divulging information, danger, for instance, in letting other countries know, communications between ministers of other countries and those of Canada. But to say that the government can call a report of one of its own officials on a public question confidential, is ridiculous. What can there be secret? What should in the public interest be secret with relation to the facts in the oil fields in the county of Lambton? The thing is absurd. This man is paid a salary by this country, and we are entitled to the full results of his work. He brings in a report. I do not know what was in it, but the presumption is very clear, namely, that it reflects on government policy. The government immediately put their stamp "confidential" on it and, not content with that, they bring a return down to the House stating that the man made no report at all, and further than that, that he is not going to make any; whereas the facts are absolutely the contrary. This is not the first time that something of this kind has occurred. Almost every return brought down by this government bears on the face of it evidence that it is only partly revealing the whole facts. This return reveals nothing. It reveals a letter written to Dr. Hume, but it shows nothing in the world in relation to the results of a trip in respect of which he was given some thousands of dollars of the money of the Canadian people.

Mr. STEWART (Argenteuil): No, no.

Mr. MEIGHEN: Yes, he was given $2,400 when he started out.

Mr. STEWART (Argenteuil): He also went to the west.

Mr. MEIGHEN: Yes, he went further than that, but the return reveals nothing in relation to the results of his work. Are the people's representatives not entitled to better information than that? I cannot see how the minister can stand in parliament and suggest that the report of an officer of the Mines department in relation to the oil fields of that territory can be regarded as confidential, even if in that report he went beyond his direct instructions—and I do not know that he did; his instructions are shown in the return. That does not matter; this is in relation to a public question and the government have no authority to stamp the word "confidential" on it as an excuse for not revealing it. But if they did mark it confidential, they should have stated in the return that the report was confidential, so that parliament might know and discuss the matter. But in order that parliament would not be aroused to that discussion, the government asserts that there is no report at all.

Mr. McTAGGART: I should like to draw the minister's attention to Saskatchewan for

just a moment. I presume he is familiar with the fact that Saskatchewan, as well as the other provinces mentioned here this afternon has important mineral deposits, and that some of those deposits are expected, when developed, to be of considerable value. It is my understanding that the Department of Mines during the last two years have carried on an investigation into the mineral resources of Saskatchewan, and in this connection I should like to ask a question: What has been the general result of the investigation into the sodium sulphate deposits in Saskatchewan? Have any important finds been made in that province?

Mr. STEWART (Argenteuil): Answering my right hon. friend (Mr. Meighen), I would not want the committee to go away with the impression that, so far as we were concerned, we were attempting to suppress anything that was of a public character. This Dr. Hume, as I remember, had certain instructions to go into that territory and make a private and confidential report verbally to us on the matter. He did not do so. If there are any returns coming down from my department that would indicate in any way that we are attempting to keep back public information, I assure the committee that such is not the intention. But to settle this matter once and for all, whatever report Dr. Hume made—and I have no recollection of it at the moment except that, perhaps, he reported in his private letter something of a confidential character dealing with the bounties—I am prepared to bring it down, place it on the table of the House and treat it as no longer confidential.

A general complaint has been registered with regard to returns. I can speak only for myself. If any hon. member is complaining of returns that are brought down that are not proper, I shall be glad to know what they are. I bring down a great many returns, and sometimes I do not have an opportunity of perusing them in order to see whether they fully answer the questions.

Mr. MEIGHEN: I only interrupt to say that the assertion made by the minister that this official was entitled to make a private report to the department is not the truth. If it had been, the position of the department would be worse than ever.

Mr. STEWART (Argenteuil): No.

Mr. MEIGHEN: Of course it would. What right has the minister or any officer of his department to instruct an officer on salary by this country to go out and investigate a question of public concern and make a private report that the public who are paying him have no right to see? He has no right to do that at all. Before the minister can be justified in asserting that any document is confidential, he must show that it would be injurious to the country to reveal it at the time. I recall that in the days of the late government, only in connection with correspondence with the United States government and the British government were we compelled to take that stand. We were roundly —and foolishly—abused. In a case of that kind I would never in the world complain. But what harm could there be in submitting the report of an officer on the condition of the oil industry in Lambton? There could not possibly be any reason to justify the suppression of it. But he was not asked to suppress it or to make a private report. The instructions are given in a letter to the following effect:

> On your way to and from the field you will spend a few days in the oil fields of southwest Ontario in Kent and Lambton counties with a view to becoming familiar with present conditions in these fields and arranging for closer co-operation with the drilling companies to obtain information regarding the well logs, etc.

He was to make an investigation there so that the department might become more familiar with the situation; and whatever report he made, whether as a letter or in any other form, is public property from the beginning. The government therefore had no right to endeavour to stamp it otherwise, and much less had they the right, having done so, to assert that there was no report at all.

Mr. McTAGGART: Will the minister reply to the question I put to him?

Mr. STEWART (Argenteuil): The hon. member's question, I take it, relates to the work in Saskatchewan. I do not know that we have any particular report on what has been done in Saskatchewan, but as most of the sodium comes from Alberta and Saskatchewan we have been investigating matters there. We are really just beginning the work. In 1924 there was sold in Canada a production of some 118 tons valued at $1,179, which was produced from the stock of 1923. The total production of 1923 was 733 tons valued at $10,189.

Mr. McTAGGART: Did the finds in Saskatchewan prove to be of value when tested? A year ago last fall, I spent several hours in the company of a party operating under the Department of Mines, and they were then investigating a deposit in my own

district. The engineer in charge told me that he thought the deposit was a very valuable one. They were sending samples to Ottawa to have them tested and I gathered from what I was told then that the investigation into the sodium sulphate deposit in Saskatchewan was about concluded. I thought therefore that the minister might have a general statement to make with regard to the deposits in the different provinces.

Mr. STEWART (Argenteuil): I see from the report of the investigation carried on by the Mines branch that there is at least a supply of 100,000,000 tons to draw upon, so that there is a considerable quantity of it, sufficient to do us for hundreds of years, I should think.

Mr. FORKE: Is it used in the making of paper?

Mr. STEWART (Argenteuil): Yes. These are the lake deposits of the prairie provinces.

Mr. FORKE: What quantity comes in from Europe? Is the supply from these deposits used in the pulp mills in Ottawa and in the east, or does it come from the other side of the Atlantic? I ask this question because a delegation waited upon me representing the desirability of increasing the duty on this material; they had difficulty in competing with shipments from Europe.

Mr. STEWART (Argenteuil): The deposits of the prairie provinces are only of recent discovery.

Mr. FORKE: They were using it as far east as Dryden.

Mr. STEWART (Argenteuil): I have not the report of the department before me.

Mr. FORKE: I cannot give any details in regard to the matter but, as I say, there was a delegation wanting the duties increased.

Mr. McQUARRIE: Has the Minister considered the advisability of assisting prospectors by way of bonus or otherwise? I understand that in some parts of the empire this is being done and is proving quite satisfactory; money is advanced to the prospectors to pay for their food and supplies to a limited extent. They must show of course that they understand something about the work and it must be evident that they are doing something to earn their bonus. Has the minister ever thought of adopting such a policy? In a country such as Canada where we have no doubt many undiscovered fields of valuable minerals in all parts of the various provinces, and in sections where the Dominion has control, if some policy of this kind were adopted it might lead to valuable results.

[Mr. McTaggart.]

Mr. STEWART (Argenteuil): We have not considered the question of grub-staking prospectors. It would be a little difficult I think inasmuch as there are all sorts of people prospecting, and sometimes the most inexperienced man stumbles on the richest find. It is true that a great many of these men who are expert in their work are grub-staked by the larger companies who control the finds, but the government has not considered entering that field.

Mr. WARNER: The minister spoke about the geological work that was being done; I do not know just what is being carried out in that direction. Is there any systematic control of the matter? Does the department take the initiative, or is an investigation made upon the report of someone that he has found something?

Mr. STEWART (Argenteuil): Where there is a reasonable prospect of discoveries parties are ordered into the locality, but usually we act on advice received from some source. It cannot be denied that the prospector is the pioneer; he is the man who makes the discovery.

Mr. CAMPBELL: What is the approximate amount of the vote charged to the operation of the Dominion Fuel Board, including the costs of the various publications by the board?

Mr. STEWART (Argenteuil): My hon. friend will find all these figures in Hansard.

Mr. CAMPBELL: I find here a rather voluminous book published by the department with reference to coke. This publication must have been expensive. I find also a report issued by the municipal council of the city of Ottawa dated February 15, 1923, which, so far as I can see, contains all the information that is in this book. This cost the city of Ottawa comparatively nothing whereas the book to which I refer cost the tax-payers a lot of money. It would not appear that the new Fuel board is doing much to justify its existence.

Item agreed to.

For publications, English and French purchase of books, laboratory supplies, intruments, miscellaneous assistance and contingencies.. .. .. $40,000

For transportation charges from outlying provinces on ore shipments which may be sent to the ore dressing plant of the Mines branch at Ottawa for testing purposes, under regulations approved by the Minister of Mines.. 5,000

Mr. MEIGHEN: What is the $40,000?

The CHAIRMAN: For publications or books, laboratory supplies, and so forth.

Mr. JELLIFF: Is this second item to pay transportation charges on samples sent in by prospectors?

Mr. STEWART (Argenteuil): Yes, chiefly from British Columbia on account of the great distance, to avoid the construction of an ore dressing plant there.

Mr. MEIGHEN: What is being done away with when we make the reduction?

Mr. STEWART (Argenteuil): We are not getting the samples. We do not require the money.

Mr. BIRD: Will this apply to prospectors in Manitoba?

Mr. STEWART (Argenteuil): All outlying provinces.

Mr. MEIGHEN: How does the minister account for fewer samples coming in?

Mr. STEWART (Argenteuil): I do not know why they have not come in larger numbers. My hon. friend will remember that we had an item in the estimates for a number of years—it was in at all events when I first came here—for the construction of an ore dressing plant in British Columbia. I think the amount was $100,000 and it was decided not to go on with the construction of that plant, but to put in an item of $10,000 for the purpose of bringing the ore eastward for examination. They send very small samples, and it does not amount to a great deal. We have not put any restriction on the amount of the samples.

Mr. JELLIFF: I do not see why people sending in sample ores for testing should not pay the transportation charges. The department pays the testing charges.

Mr. STEWART (Argenteuil): It was simply to help the prospector.

Mr. MEIGHEN: It was an endeavour also to be fair to all parts of the country. If you keep your ore dressing plant here it is a good thing for Ontario, but not very good for British Columbia.

Mr. HUMPHREY: Has the department received any notice of opposition to the construction of the ore dressing plant in British Columbia?

Mr. STEWART (Argenteuil): I believe we have a resolution somewhere.

Mr. HUMPHREY: In opposition to this plant?

Mr. STEWART (Argenteuil): Yes.

Mr. HUMPHREY: If the prospectors of British Columbia are not taking advantage of this offer it cannot be a very useful proposition. I would suggest that there be some investigation or looking into the question of why the prospectors are not taking advantage of this offer of free transportation for samples of ore. I refer to the construction of the ore dressing or ore testing plant.

Mr. STEWART (Argenteuil): They had a meeting of the Miners' Association in British Columbia, and I have a letter from W. H. Burgess dated October 30, 1923, which reads as follows:

> At a general meeting of this association no members concurred with the proposal. It was explained that this proposed plant is considered among prospectors to be for the customs purchasing of complex ores, the following communication being received and read:
> "We the British Columbia Prospectors' Association unanimously protest against any moneys being spent for the purpose of erecting a testing plant in the province of British Columbia for the present considering it is a total waste of money."

I do not agree with that, but that is the resolution.

Mr. FORKE: What sort of regulations are attached to that?

Mr. STEWART (Argenteuil): I do not think there are any.

Mr. FORKE: I thought the minister mentioned something about them.

Mr. STEWART (Argenteuil): This document goes on to speak of the present high taxation and necessity for economy. They say this plant should not be considered unless it can be shown to be a real help to the mining industry. I think there is a mistake there, because no doubt if the plant were established it would be a real help.

Mr. McQUARRIE: When was provision made for this plant?

Mr. STEWART (Argenteuil): There was $100,000 in the estimates for a couple of years.

Mr. McQUARRIE: When was that?

Mr. STEWART (Argenteuil): Four years ago it first appeared, I think.

Mr. McQUARRIE: Under the previous government?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: I remember there was a good deal of agitation about it from British Columbia at that time. I think I had something to do with it. It seemed to be a very desirable thing to have an ore testing plant

in British Columbia, instead of requiring the people to send their ore to Ottawa. The time occupied in sending the ore by freight was quite an item, and the delay was very considerable. As I remember it there was a very strong desire on the part of the people of British Columbia and those interested in mining that this plant should be erected. Now this government apparently has abandoned that.

Mr. STEWART (Argenteuil): I would not say absolutely abandoned it, but we have delayed the construction of it and substituted this provision in the meantime.

Mr. CALDWELL: What was spent under the heading of transportation last year?

Mr. STEWART (Argenteuil): Not very much.

Mr. McBRIDE: Was not that vote passed just before the last election?

Mr. STEWART (Argenteuil): I do not remember.

Mr. HUMPHREY: I did not catch the answer of the minister.

Mr. MEIGHEN: If the hon. member would bring about a by-election in British Columbia he could hurry it up, and it would appear in the estimates again.

Mr. HUMPHREY: I did not get the minister's reply to the question asked by the hon. member for New Westminster (Mr. McQuarrie) in regard to the bonus for the prospector.

Mr. STEWART (Argenteuil): I said the government had not considered the matter. Many of the richest finds have been made by men who have no knowledge, or at least very little knowledge, of prospecting. It would be a very difficult thing to select men. I do not know how you could place any restrictions on it, because there are a great many men who take all sorts of chances, who love the life and make real discoveries, and these men contribute very largely to the wealth of the country. Many of them work all their lives and discover nothing. I think my hon. friend will bear me out in that statement, but some of the best among them are selected by corporations who are interested in the mining business, and they are kept in the field for that purpose. But the government has not given any consideration to grub staking and prospecting.

Mr. HUMPHREY: I would urge on the minister something along that line. Considering that the old prospector is passing away, I think something should be done to create an interest for the prospector and making it worth his while to go out and prospect for minerals. Conditions are such to-day, on account of the increased expense, that I believe it is worthy of every consideration this government or any government can give it. Further assistance could be given to these men, either by way of bonus or some other means, to encourage the prospector—and especially the old time prospector—to go into the field. These old timers are amongst the best prospectors we have.

Mr. KNOX: Did I understand the minister to say that samples sent in for assay purposes were assayed free of charge?

Mr. STEWART (Argenteuil): Not all of them. A great many of these samples are sent in by our own men in the field, and these are the ones we feel most confident about in the matter of getting results. That is why the prospectors do not send in many samples under the provisions of this vote.

Mr. KNOX: I asked the question because a short time ago I heard a man complain that he had been charged three or four dollars for the assaying of a sample he had sent in to the department.

Mr. STEWART (Argenteuil): It did not come under the provisions of this vote.

Mr. SUTHERLAND: The provincial governments do a great deal along these lines, I understand, and samples they deal with would not reach this office at all. Ontario, for instance, has an assay office?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: What are the requirements to come under this vote?

Mr. STEWART (Argenteuil): The chemical assaying is the only one that is charged for; the milling is done free. Charges are made in all cases except where they come under this provision. When the item was first put in the estimates three years ago it was for the purpose of facilitating the sending of samples from British Columbia. We felt we could postpone for a time the construction of the plant and offer to pay transportation charges on the samples.

Mr. McQUARRIE: That will be continued?

Mr. STEWART (Argenteuil): Oh yes.

Mr. MEIGHEN: The minister says this is for the purpose mainly of assaying samples sent in by officers of the government?

Mr. STEWART (Argenteuil): No; I mentioned that our parties in the field in every province were forwarding samples for testing purposes which had been turned in to them by prospectors.

Mr. MEIGHEN: These were forwarded before there was any such provision as this, so that the extra amount here must be for privately transmitted samples. I had always understood that those were assayed free, and I was surprised at what the member for Prince Albert said.

Mr. STEWART (Argenteuil): We ask payment only for the chemical assay.

Mr. McQUARRIE: How much was spent last year under this vote?

Mr. STEWART (Argenteuil): Only about $8.

Mr. MEIGHEN: It would seem that the mining business is pretty nearly down and out if only $8 is the outlay in relation to samples for assaying from all of Canada.

Mr. STEWART (Argenteuil): I think the explanation is that the samples come largely from our own officers in the field.

Mr. MEIGHEN: It does not take very much, then, to balance up British Columbia.

Item agreed to.

Dominion of Canada Assay Office—for maintenance of assay office, Vancouver, B.C., $26,000.

Mr. MEIGHEN: How long has this office been there?

Mr. STEWART (Argenteuil): Twenty-five years. It was established at the time of the gold discovery in the Yukon and has been continued ever since.

Mr. MEIGHEN: What is the need of it?

Mr. STEWART (Argenteuil): It is really a function of the Finance department; it has no connection with the Department of Mines. I would be very glad if the Finance department would take it over.

Mr. MEIGHEN: All they do is buy gold and transmit it to Ottawa?

Mr. STEWART (Argenteuil): Yes.

Mr. MEIGHEN: They might just as well transmit it direct, without any stopping off at an assay office at Vancouver.

Mr. SPENCER: How much of this vote was spent last year?

Mr. STEWART (Argenteuil): $23,723.

Mr. MEIGHEN: How much gold was taken in at that office last year?

Mr. STEWART (Argenteuil): $2,029,236. I am told that they refine the gold there before forwarding it.

Mr. MEIGHEN: Is the gold all refined there and sent on here?

Mr. STEWART (Argenteuil): Yes.

Mr. MEIGHEN: Would it make any difference as to freight if it were sent here unrefined?

Mr. STEWART (Argenteuil): It does not come here; it is sold in Seattle. I confess I thought it all had to come here.

Mr. MEIGHEN: Who sells it?

Mr. STEWART (Argenteuil): We sell it apparently.

Mr. MEIGHEN: I suppose it helps to pay our balance of trade with the United States.

Mr. McBRIDE: This assay office is very important for Vancouver. Why should people have to go to Seattle and spend their money there when they come down with gold from the Yukon and Cariboo? This office in Vancouver not only refines gold, but if any person has any gold in the way of brooches or anything of that sort the assay office will tell them the exact value of it, and purchase it if it is for sale, they can get it refined there also for a small fee. It is one of the most important institutions we have in Vancouver from a business standpoint.

Mr. MEIGHEN: I thoroughly agree with the hon. member. I was just suggesting the office was not necessarily on the strength of the minister's statement that the gold all came down here anyway. His statement was wrong.

Mr. STEWART (Argenteuil): I was right to this extent; it came down here until eight months ago. I did not know it had been changed since. I am informed the Finance department did not require it, and therefore it is being sent to Seattle.

Mr. MEIGHEN: I presume it is all a matter of the drift of the stream of gold. It would sometimes come here and and sometimes not, but undoubtedly it is good business to refine it here and not allow them to go down to Seattle with it.

Mr. BLACK (Yukon): Is it not a fact that up until eight months ago under the War-

time Measures Act the export of gold was prohibited? That regulation being relaxed, gold now goes where the best market is.

Mr. STEWART (Argenteuil): I am told there has been no relaxation. You have to have a license to export. Of course, this is under the control of the Finance department and not under our department and I think this assay office should also be under the control of the Finance department.

Item agreed to.

Geological survey—for explorations, surveys and investigations, wages of explorers, topographers and others, $200,000.

Mr. STIRLING: Does the minister propose to spend any of this money in British Columbia?

Mr. STEWART (Argenteuil): Oh yes.

Mr. STIRLING: In what parts does the minister expect to survey?

Mr. STEWART (Argenteuil): I will give my hon. friend the lump sums for the provinces: British Columbia, $38,000; Alberta, $15,000; Saskatchewan, $7,000; Manitoba, $7,000; Ontario, $23,000; Quebec, $15,000; New Brunswick, $5,000; Nova Scotia, $6,000.

Mr. STIRLING: Does the minister know whether it is proposed to carry on geological surveys in the southern portions of British Columbia?

Mr. STEWART (Argenteuil): There are nine parties in British Columbia, and two in the Yukon. In British Columbia the parties are working at Galena Hill, Atlin, Dease lake, Hazelton, Portland canal, Eutsuk lake, Tatlayoko lake, Britannia, Slocan, Kimberley, Lardeau, Windermere.

Mr. KNOX: Could we have the location of the parties in Saskatchewan?

Mr. STEWART (Argenteuil): We have two parties in Saskatchewan under D. B. Dowling and P. S. Warren. They are both in the southern part of the province.

Mr. KNOX: Is nothing being done in the north part of the province?

Mr. STEWART (Argenteuil): No.

Mr. KNOX: The mineral area is largely in the northern part of the province, except the sodium sulphate and some coal. I have been pressing on several occasions for a party to be sent into the country around Lac La Ronge, about 150 miles north of Prince Albert. There has been a good deal of pressure brought to bear by the people of northern Saskatchewn that this should be done, and I think the minister would be well advised to consider that proposal, because that mineral area is very important indeed.

Mr. STEWART (Argenteuil): I am informed that a fairly thorough investigation of that locality has been made, and we have a report on it.

Mr. MEIGHEN: Anything in it?

Mr. STEWART (Argenteuil): I have not seen it.

Mr. KNOX: The claim was that it had not yet been surveyed. If a topographical survey party was sent in there, it could be followed by an aeroplane survey to get the location of the smaller lakes, so that the prospectors would know where they were going. It would be something to guide them in the survey of their claims.

Mr. STEWART (Argenteuil): We did hope to make an aerial survey of that territory this year. I am not just sure, but I will get the information for my hon. friend when the estimates of the Interior department are up, because the aerial service comes under that department.

Mr. McQUARRIE: Can the minister give us particulars as to how this $200,000 is divided among the different services?

Mr. STEWART (Argenteuil): I have given the lump sums to be expended in the various provinces.

Mr. McQUARRIE: The vote reads: "For explorations, surveys and investigations, wages of explorers, topographers, and others." Can the minister segregate the expenditures on these different items?

Mr. STEWART (Argenteuil): I gave the amounts for explorations before. For topographical surveys the figures are as follows: British Columbia, $12,000; Northwest Territories, $7,500; Ontario, $8,500; Quebec, $7,500; New Brunswick, $5,000; Nova Scotia, $7,500.

Mr. McQUARRIE: What would explorations consist of?

Mr. STEWART (Argenteuil): The work of the geological parties. The salaries of the parties in the field and all incidental expenses would have to be paid.

Mr. McQUARRIE: Do you send them out to a particular district? I can understand them being sent out to make a survey, but what do they do in the way of exploration?

It does not seem to be a matter of exploration at all, but a matter of surveying.

Mr. STEWART (Argenteuil): The geological party are doing exploration work for geological purposes only. Then we have the topographical surveys, making preparations for a map of the territory. All the salaries and incidental expenses of these parties in the field come out of this vote.

Mr. McQUARRIE: How much was spent last year?

Mr. STEWART (Argenteuil): For exploration, surveys, and investigations the sum of $187,486.

Mr. BIRD: How much of this vote is allocated for Manitoba?

Mr. STEWART (Argenteuil): Three parties will go into that province—to Oxford river, Fox lake, and God's lake.

Mr. MEIGHEN: Would the minister have, at eight o'clock, the report of Dr. Hume?

Mr. STEWART (Argenteuil): Yes.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READING

Bill No. 38, to incorporate the Knights of Pythias of Canada (title changed to Knights of North America).—Mr. Maybee.

SECOND READINGS

Bill No. 120, respecting The Essex Terminal Railway Company.—Mr. Healy.

Bill No. 121, for the relief of Dorothy Strathy.—Mr. Preston.

Bill No. 122, for the relief of Minnie Williams Goldberg.—Mr. Jacobs.

Bill No. 124, for the relief of Charles Arthur Sara.—Mr. Duff.

Bill No. 125, for the relief of Frederick George Randall Lacey.—Mr. Ryckman.

Bill No. 127, for the relief of Norma Evelyn Stevens Hammond.—Mr. Church.

SUPPLY

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

The CHAIRMAN: The item under consideration relates to explorations, surveys and investigations, wages of explorers, topographers and others, $200,000.

Mr. McQUARRIE: What work was done last year under this item or by means of the expenditure of $187,000 which the minister gave?

Mr. STEWART (Argenteuil): I have not the details; the field work would be much the same as it was this year.

Mr. McQUARRIE: That is to say, the same parties are working this year.

Mr. STEWART (Argenteuil): Yes, but not in exactly the same locality in each province. The hon. member is asking, I take it, for the details of this year's work, that is to say, the fields in which the parties are working. The expenses for exploration work last year were as follows, in round figures:

Province	Amount
British Columbia	$45,693
Alberta	9,000
Saskatchewan	2,000
Manitoba	4,000
Ontario	18,000
Quebec	10,000
New Brunswick	2,000
Nova Scotia	8,000

For topographical surveys the expenditures were:

Province	Amount
British Columbia	$14,000
Northwest Territories	4,000
Ontario	2,000
Quebec	5,000
New Brunswick	4,000
Nova Scotia	8,000

The wages of explorers and topographers amounted to $21,000.

Mr. ANDERSON: Have any surveys been made in the Mackenzie river and Peace river districts?

Mr. STEWART (Argenteuil): Not this year.

Mr. ANDERSON: Where there any last year?

Mr. STEWART (Argenteuil): We did nothing in the territories last year either. I gave the three prairie provinces in a group.

Mr. ANDERSON: There were some investigations a year or two ago in connection with certain oil finds. Has there been no report in this regard?

Mr. STEWART (Argenteuil): The last work done in the Norman field was two years ago; there was none last year and probably there will be none this year.

Mr. ANDERSON: Was there no report on the surveys made last year with regard to the oil possibilities in that district?

Mr. STEWART (Argenteuil): Yes, there are reports in existence with reference to the work done in the Norman field.

Mr. STEWART (Leeds): Is there any general plan according to which these survey parties are sent out? Are they trying to complete a general scheme or do they go where they are requested from one year to another?

Mr. STEWART (Argenteuil): There is a general plan to be followed but frequently we have to break in on the work by sending parties to make hurried investigations where necessary. We are trying however to cover the field in a continuous way in those localities in which the geological parties work.

Mr. KENNEDY (Edmonton): What is the difference between the work done by the geological and topographical surveys as indicated on page 46?

Mr. STEWART (Argenteuil): The topographical party simply makes a tour of the country for mapping purposes, and this must be done prior to the entry of the geological party. The work of the topographical survey is of great assistance to the geological branch and as a matter of fact little progress could be made until that work was done. The work is either done by the men of the geological party who precede them, or it is done by the topographical parties of the Interior department; but there is no overlapping; they know what areas they will work in before they start.

Mr. KENNEDY (Edmonton): Could not one organization do the whole thing?

Mr. STEWART (Argenteuil): No; it is different work altogether.

Mr. McQUARRIE: From whom does the request come for this work—from individuals or from the province?

Mr. STEWART (Argenteuil): Not necessarily from the province. We accept requests from individuals if there appear to be reasonable grounds for an investigation.

Mr. ANDERSON: In connection with the expenditure of $18,000 in northern Ontario, would the reports of investigations there be available?

Mr. STEWART (Argenteuil): My hon. friend asks whether reports are available with regard to northern Ontario?

Mr. ANDERSON: Yes, the reports that were filed?

[Mr. Anderson.]

Mr. STEWART (Argenteuil): Yes.

Mr. HANSON: What work has been done in the past year in New Brunswick? I remember two years ago the minister referred to it. I have not heard of any work being done.

Mr. STEWART (Argenteuil): The work there was in the Minto coal fields, and base maps for the Chipman-Minto coal basin and base maps for later coal and oil shale investigations were prepared.

Mr. HANSON: Was any work carried on in the Albert district?

Mr. STEWART (Argenteuil): No, not recently.

Mr. BLACK (Yukon): I think the minister said there would be two geological parties in the Yukon. I suppose one of them will be in continuation of the very valuable work being done in the Mayo silver fields. Will the minister state where the other party will be.

Mr. STEWART (Argenteuil): Yes there will be one in the Mayo field, and another in Atlin.

Mr. BLACK (Yukon): That is in British Columbia.

Mr. MANION: What work is being done in northern Ontario? My hon. friend from Halton (Mr. Anderson) asked a question about it. I understand there was some work done in northern Ontario with regard to the investigation of mineral deposits.

Mr. STEWART (Argenteuil): Mr. Tanton and Mr. Gill were in the Nipigon field mapping out the iron ranges. They were working together. There was the geological mapping of Bruce Mines, and Mr. Thompson was working on a complete geological survey commenced last year in latitude 47.30; that is in the Woman river area. Then Mr. Quirke was in the Parry Sound district, and Mr. Freeland was at French river. Mr. Ellsworth was also in the Parry Sound district

Mr. ANDERSON: Were there any investigations made in northern Ontario?

Mr. STEWART (Argenteuil): No, I understand the Larder lake district is being investigated by the Ontario department.

Mr. ANDERSON: Did the department of the Dominion government make any investigation?

Mr. STEWART (Argenteuil): No, we have not done anything in Larder lake.

Mr. MANION: I was wondering if the reports of Mr. Tanton and others regarding the iron formations in the northern section had been filed.

Mr. STEWART (Argenteuil): I am told the report is in print and will be available shortly.

Mr. LeSUEUR: This afternoon we had a discussion with regard to the return to an order asking for a report of Mr. G. S. Hume and Mr. Russell. The return brought down stated that no report had been requested, no report made and no report expected. I have the report in my hand now produced by the government, and I think I should read it to the House, as it is a complete justification of everything that has been argued in this House on behalf of the oil industry in Lambton and Kent counties. The report is not marked confidential. It is a typewritten document of several pages signed by Mr. George S. Hume, dated Petrolia, May 22, 1924, and reads:

Memorandum to Deputy Minister of Mines

The Oil Industry at Petrolia, Enniskillen Tp. and Oil Springs

Enclosed is a letter sent to The Right Honourable W. L. Mackenzie King by Mr. I. Greenizen, manager of Ontario Lands and Oil Co. Petrolia, and representing in this letter the interests of the oil operators in Petrolia, Enniskillen township and Oil Springs. This letter gives the reason for the establishment of the oil bounty as a substitution for the protective tariff which was removed in 1904 as well as other facts regarding the oil industry. Oil operators claim if the bounty on oil of 52½ cents per barrel is discontinued, the oil industry in Ontario will be left unprotected while other industries have been protected to a greater or less extent.

The price of oil received by operators in this area is fixed by the Imperial Oil Co. Ltd., who buy the oil for their refineries at Sarnia. The grade of the Petrolia oil is much the same as that produced in the Lima—Ohio field of United States and consequently the price paid for oil in this area is dependent on the price paid in the Lima field. Producers in this area claim that oil can be produced in the Lima field at a much smaller cost per barrel than at Petrolia and Oil Springs because,

1. The production per well in the Lima field is greater while the cost of pumping may be taken as about the same. Consequently in the Lima fields more oil is produced for the same amount of pumping expense or much less per barrel.

2. The price of equipment for oil wells at Petrolia and Oil Springs is much greater than in the Lima field because to a considerable extent American products are used in the well equipment in this area. The reasons given for the increased cost of American equipment in Canada is (a) Duty. On well casing and tubing this is 30 per cent (Subject to a part rebate when used for certain purposes). (b) Sales tax of 5 per cent which American operators don't pay. (c) Exchange of 2 to 2½ per cent. Total 37½ per cent or costing the Canadian operator 37 dollars for every $100 of equipment used. Some of the operators in this area use Canadian made tubing manufactured by Page-Hersey Co. of Welland, Ontario. This tubing is cheaper than American tubing by a few cents per foot but is most unsatisfactory in this area where sulphur waters are present. The Canadian tubing corrodes very readily and consequently has a much shorter life than American tubing. This fact I have corroborated by my visit to the oil fields and from several operators.

The result of these conditions, therefore, is that oil is produced at Petrolia and Oil Springs at a much greater cost than in the Lima field whereas the price paid for oil from each is approximately the same.

The costs of production by a number of representative companies at Petrolia and Oil Springs are as follows:

1. Ontario Lands and Oil Company Limited, Petrolia.

	1919	1920	1921	1922
Average cost per bbl. production	3.25	4.01	3.73	2.94
*Price received (without bounty)	3.13	3.88	2.83	2.51

2. Crooker—Parks Oil Company Limited, Oil Springs.

	1919	1920	1921	1922
Average cost per bbl. production	2.49	3.72	3.25	2.70
*Price received (without bounty)	3.13	3.88	2.83	2.51

3. Estate of J. H. Fairbanks, Oil Springs and Enniskillen township

	1919	1920	1921	1922
Average cost per bbl. production		2.68	2.67	2.58
*Price received (without bounty)		3.88	2.83	2.51

The costs of production on this property are less than the others at Petrolia because (1) the wells are shallower; (2) individual wells have a larger production than other properties.

*The price received and quoted here is the price given by the Imperial Oil Company Limited. This varies slightly for each company according to the test of the oil made at the receiving station. An average price is given.

4. Canada Crude Oil Producers, Limited.

	1919	1920	1921	1922	1923	1924 3 mos.
Average cost per bbl. production	2.322	3.521	2.662	2.663	2.548	3.06
Price received ..	2.81	4.09	2.736	2.541	2.50	2.66

The price given here is the price as per the attached signed statement of this company.

Conclusions.

For the year 1922 all operated at a loss exclusive of bounty. For year 1921 two operated at a loss and in the other two the profits were small.

No deductions have been made in this statement for depreciation, depletion or interest on capital investment.

5. Property of John H. Anderson, Oil Springs,
Property bought in 1916 for $15,000.
Extent of holdings 32 acres.
Number of wells, 62.

	1921	1922	1923
Profit without bounty..	704.93	1223.22	934.09

This does not include cost of personal supervision and work by Mr. Anderson and no deductions have been made for depreciation, depletion or interest on capital invested.

6. Further statement regarding,
Ontario Lands and Oil Company Limited, Petrolia.
Capitalization £127,000.
Stock held by English investors.

Number of wells, 208 of which 143 operating. A number of wells on these holdings are fully equipped and ready for operation but which do not pay at the present price of oil. These wells can be operated again when prices warrant a profit. The resident manager of this company, Mr. I. Greenizen, has been required for many years to furnish quarterly statements to the head office in London, and I have had an oppor-

tunity to personally examine these and the following results are from these reports:

Date	Loss	Profit
September, 1921..	1045.37	
December, 1921..	483.06	
March, 1922..		1158.84
June, 1922..		1690.07
September, 1922..	114 24	
December, 1922..	1418.01	
March, 1923..	791.60	
June, 1923..		1405.53
September, 1923..	340.74	
December, 1923..	314.31	
March, 1924..		573.81

These include the bounty but nothing has been deducted for depreciation nor depletion.

Effect of Decreased Production per Well on Cost per Bbl. Production

	1918	1923
Production.. .. .. .. bbl.	600,000	158,551
Average price..	$1.44	$2.53

1. The cost of production per barrel in 1923 was much higher than in previous years due to the decline in production per well even assuming the cost of pumping to be the same. That is, if a well in 1923 produces much less than in former years and the cost of operating the well is the same it is obvious the cost per barrel must be greatly increased.

2. The cost in 1923 per barrel production was increased over former years because it is much easier to operate a well with a large flow than it is to operate one with a small flow.

3. The cost in 1923 per barrel production was greatly increased over former years on account of the increased price of labour and equipment.

A sheet showing comparison of equipment costs for a number of years is attached.

The result of these three factors combined is that the cost of production per barrel under present conditions is several times greater than formerly.

Effect Anticipated by Operators by Removed of Bounty

On account of the fact that most of the producers now operate at a loss without the bounty the effect of the removal of the bounty will be a cessation of operations by the operators losing money. Even supposing only a few closed down at once the results are likely to be disastrous because,

1. A great deal of water is pumped with the oil and this water must be removed before the oil can be obtained. The closing down by a few operators will throw this burden on the remaining operators, which of course, will at once increase production costs and undoubtedly cause others to close down, even though under present conditions they may be operating at a small profit.

2. The effect of several operators closing down will be to increase the water troubles in the field and flooding will result. The effect of flooding is to permanently destroy the field so that even if the price of oil does increase at a later date operators who were forced to close down will not be able to resume operations. This, I think, is one, if not the most serious, effect on the future of this area as an oil producer.

3. The effect of decreased production in this area will be to cause the Imperial Oil Company to shut down their receiving stations, now maintained in this area, and to abandon their pipe line which carries the oil to Sarnia. The oil operators left in the field will thus be forced to transport their oil to Sarnia or some other refinery thus increasing their production costs. This, no doubt, would be most serious.

Conclusions.

[Mr. LeSueur.]

The effect of the conditions outlined above leaves little doubt that with the withdrawal of the bounty the oil fields of this area will be speedily abandoned and, I take it, this also applies to the other fields in this part of Ontario. This will have a disastrous effect, as far as I can see, on the towns in this area, who have assumed obligations for debentures of a large amount. Debentures were issued in the towns of Petrolia and Oil Springs to cover cost of installing hydro power which is almost universally used in the oil area by the operators for the production of oil and which account for by far the greater part of the power used. Also in Petrolia there are at present at least two machine shops—Mackenzie's and Bain's—each employing a number of men and these are entirely dependent on the oil industry. If a partial or complete cessation of production in this area should result from the withdrawal of the bounty, these industries would be seriously affected and the reduction in population resulting from these and the oil operations themselves would make it extremely difficult for these towns to meet their debenture obligations.

Are the Oil Fields Worth Saving?

There seems no doubt that even under satisfactory conditions to operators for production of oil in this area, the Ontario fields will show a gradual decline in future years but from operators here I have arrived at the conclusion that the decline is likely to be slow. For example Mr. Kerr, a large operator claims his property pumped as much oil in 1923 as it did in 1914 and Mr. J. P. Watt who controls 24 acres and operates 32 wells in Petrolia claims his production is larger than in 1916. There seems reason, therefore, to expect with continuous operation Oil Springs, Petrolia and Enniskillen Township areas will continue to produce much the same quantity of oil as formerly for a number of years and this conclusion is substantiated by the production in barrels shown for the last few years.

	1921	1922	1923
Petrolia and Enniskillen.. ..	68,483	64,935	64,159
Oil Springs..	40,966	43,214	39,090

Regarding the capital investment in these areas I can get no reliable information but statements are made that it runs into several millions dollars.

The oil fields of S. W. Ontario now produce considerably more than 90 per cent of the oil produced in Canada that production in 1923 being 158,551 bbls for Ontario representing $400,000. With import of nearly 31½ million dollars for Canada for oil and oil products in 1923 it would seem worth while to return our present production—

I presume that is a mistake, that what is meant is "retain" our present production.

—although my conclusions from the investigations I have been able to make, lead me to believe a withdrawal of the bounty will cause almost wholly the abandonment of the Petrolia, Enniskillen Township and Oil Springs fields.

GEO. S. HUME.

Petrolia, May 22nd, 1924.

I would like to add that this report is a complete justification for the arguments made in this House in two separate debates for the retention of the oil bounty. The disastrous effects of the withdrawal of those bounties, not only on the field, but on the surrounding towns and that section generally, have been fully pointed out, and our request for the return of this report was in order that the result of the investigations might be made known

in this House to show whether our arguments had been sound or not. This report confirms them absolutely, and I think this House and the government should take cognizance of these facts now that they are brought to their attention, and should reconsider their position on this bounty question.

Mr. STEWART (Argenteuil): We discussed the question of the return before we rose at six o'clock, and I have only this to say in reply to the hon. gentleman. All those facts were in our possession. They were urged by the delegation, by Mr. Greenizen, who presented the very same statements to the government through Mr. Fielding. While I do not know that he filed an exact duplication of that report, the representations he made concur so nearly with the statements made in the report that there is very, very, little difference.

Mr. MEIGHEN: Does the minister still persist that that is a confidential report?

Mr. STEWART (Argenteuil): Yes, I do. It is not marked confidential, but my recollection of the whole thing was that that report came in long after Mr. Greenizen had been here and made his statement.

Mr. MEIGHEN: What has that to do with the confidentiality of the report?

Mr. STEWART (Argenteuil): Not at all. That report was considered confidential at the time by the government—

Mr. MEIGHEN: Because it was against the government.

Mr. STEWART (Argenteuil): No, it was not against the government. The original report came in in writing, as I recollect it.

Mr. LeSUEUR: This is the original.

Mr. MEIGHEN: It is signed, and is typewritten.

Mr. STEWART (Argenteuil): The original report came in in writing, and it was typewritten here in the department and passed on to the deputy minister. I am not complaining of that. I simply want to make the statement complete, and to point out that that report is very, very largely, if not entirely, a duplication of the presentation made here by a group representing the oil men who came to call upon the Minister of Finance.

Mr. MEIGHEN: A confirmation.

Mr. STEWART (Argenteuil): My hon. friend can say that if he likes. I am the last man on earth to take advantage of an official or to suggest that an official has not got his information in the proper manner, but I do want to say that long before that report was prepared, representations were made to this government, to Mr. Fielding and to myself, exactly identical with the report, because the report is wholly a financial one; it is wholly a report of the companies' costs presented by the companies themselves. I want my hon. friend to bear that in mind.

Mr. MEIGHEN: What else could it be on that subject?

Mr. LeSUEUR: Might I interrupt the hon. minister? I take exception to his statement that this report is wholly financial. Here is a statement as to the effect of the water if the wells close down. That is not financial; it is geological.

Mr. STEWART (Argenteuil): Quite true, in the event of the closing down of the wells, but it does not follow that the wells were going to close down. May I ask my hon. friend if they have closed down?

Mr. LeSUEUR: I think some have.

Mr STEWART (Argenteuil): But in a general way, has there been any cessation of work in the petroleum fields?

Mr. LeSUEUR: Not in Ontario. The bounty was cut in half on the 1st of July last, and the Imperial Oil Company themselves advanced 25 cents per barrel to these producers to keep them going until they could see if this matter could be adjusted. That was a purely philanthropic proposition because of these producers being old clients who had supplied the company with oil for years. That is withdrawn today, and the rest of the bounty will come off on July 1st next unless the government reconsiders its position.

Mr. STEWART (Argenteuil): My information was that there was no cessation of the activities in the field. I was quite unaware that 25 cents per barrel was being gratuitously advanced by the Imperial Oil Company. But the point I want to make is this: Quite apart from the report, which I maintain was of a confidential character and sent to another official in the department, to be handed on to Dr. Camsell, the deputy minister, Mr. Hume was in that field less than three days. I have every admiration for Mr. Hume's ability, but he certainly could not have compiled all that information in that time, nor do I think he could have come to the conclusion that even if there had been a small cessation of activities, water would have flooded the field. I quite appreciate that if too many wells cease operating and

water enters the field, it will destroy it, and nobody knows that better than Mr. Hume; I am not taking issue on that point. But I say that with the single exception perhaps of that reference to the destruction of the field, which Mr. Greenizen perhaps did not feature, he featured every other item in that report, and said that if the bounty was cut to any appreciable extent production would have to cease, that they could not continue under those conditions; and that is exactly what is contained in that report.

Mr. LeSUEUR: The minister's position, then, is that Mr. Greenizen represented these facts more or less along the lines which I have read to-night.

Mr. STEWART (Argenteuil): Yes.

Mr. LeSUEUR: And that Mr. Hume, the geologist of the department, went up there and presents more or less the same statement, with some geological additions.

Mr. STEWART (Argenteuil): Yes.

Mr. LeSUEUR: Now might I go further and say that the government sent up Mr. James A. Russell, and I understand his report also confirms these statements.

Mr. STEWART (Argenteuil): I cannot speak as to that; I do not know anything about that.

Mr. LeSUEUR: That is also another gentleman who was sent up to investigate this field, and no report has been produced.

Mr. STEWART (Argenteuil): I cannot speak as to Mr. Russell. I can only speak as to the report of the geologist.

Mr. LeSUEUR: The point I am making is this: If the hon. minister impugns this report as not being thorough, as not being exact, as not setting forth the absolute facts, I believe he has got the facts corroborated by at least two other reliable men.

Mr. STEWART (Argenteuil): I am not impugning the honesty of purpose of anyone, much less one of the officials, because I always take it that no official has the chance to defend himself here, and I take the side of the official upon all occasions. But I do say that the facts set out there particularly the facts with respect to the financial conditions, were all in our hands. I will not say because I have no recollection of the statement being made that the fields would be destroyed if they were flooded; but the statements with reference to the injury to the business of the town, and other matters, were made here by the deputation.

[Mr. C. A. Stewart.]

Mr. MEIGHEN: The merits of the report constitute one question; the merits of the government constitute quite another. What is the history of the matter? The hon. member for West Lambton (Mr. LeSueur) moved for a return of the instructions given an official of this government in relation to the oil fields of Kent and Lambton and he asked that the return also present the report of that official. In answer to the order by parliament the government brings to this House a statement —a solemn statement on the authority of a minister of the crown—that the official who went up from his department, Dr. Hume, made no report at all—was never asked to make a report, and will not make any report. I ask this House to consider where the government stands in the face of this report read a few minutes ago by the hon. member for West Lambton? Was that a report or was it not a report? No human being would assert that it could be described otherwise than as an official report of an official of the department.

Now I come to the minister's plea. He said "That report is confidential." That is what he said this afternoon. If we are prepared to grant that what the minister says is correct the conduct of his government and himself is inexcusable even then. Were it a confidential report the statement that should properly have been made was that the report was confidential; that would have been the truth as interpreted by the government. They reported that there was no report at all; they embodied that statement in a return to parliament in answer to an order of this House. Now let us inquire what is to be thought of a government which declares a report of that character confidential? What is the minister's plea to-night in extenuation of his statement that this report is confidential? "Why, we knew those facts before; we knew what was in it."

Mr. STEWART (Argenteuil): I think my right hon. friend should be fair in this matter. The minister did not make that statement in that way.

Mr. MEIGHEN: No? What is the difference in effect?

Mr. STEWART (Argenteuil): The contents of the report and the question of disclosing it are two different things altogether.

Mr. MEIGHEN: I asked the minister why he had stated the report was confidential, what there was in it of a confidential character, and the answer I got from the minister was that he knew it before.

Mr. STEWART (Argenteuil): No, no.

Mr. MEIGHEN: If the minister has any other answer let us have it.

Mr. STEWART (Argenteuil): If I made that answer I do not want it to go on the record.

Mr. MEIGHEN: Will the minister tell us now what there was in the report that justified him in saying it was confidential?

Mr. STEWART (Argenteuil): Well, any report that we ask for of that character—

Mr. MEIGHEN: What character?

Mr. STEWART (Argenteuil): —is confidential.

Mr. HANSON: A public document?

Mr. MEIGHEN: What character?

Mr. STEWART (Argenteuil): When we wish to get confidential information from any official of the government the report would be considered as such.

Mr. MEIGHEN: Is the information confidential that was disclosed in the report?

Mr. STEWART (Argenteuil): It is not so marked.

Mr. MEIGHEN: It is not marked at all. It could not be honestly so construed. Nobody would suggest it could be so construed. What is there confidential about it? It has not any mark whatever of confidentiality, not a word. If the word was on it it would have no right to be there. The whole subject is a public subject. It is a subject affecting the public interest. It is a subject that has been debated in this House over and over again, and the reports have been made by a salaried officer of the department paid by the people of Canada. Is such a report to be concealed from a Canadian public? What harm could be done by the publicity of that report? What harm could be done to the taxpayer of Canada, the people of Canada? None could be suggested. No man however imaginative could suggest the slightest injury. Consequently, no person can be justified for a moment in suggesting that this report is confidential. It would not matter if it were marked confidential in every line—even if at the top or bottom or anywhere in it, it were marked confidential, private, personal or in any other way. It is not a letter. Even if it were a letter it would make no difference; it is a regular report in formal shape. And is this country going to understand that when anything comes to the government from an official, which is diametrically opposed in recommendation to the government's policy, though paid for by the people's taxes, the government can put it in its pocket and say "This is confidential, we will not tell parliament anything about it?" I wonder what trust parliament is going to place in the returns of this government after this? I do not think it will place very much. I do not know what there could be that we would be entitled to if this is something we are not entitled to; I could not conceive it. That is the position the government rest in and that is the position from which they cannot escape.

As to the merits of the claim for bounty, that is another issue altogether. Suffice to say that it does not argue much against a report—the fact that that report is in absolute confirmation of all that hon. members of this party argued for in two sessions in this House, of all that hon. gentlemen opposite of the government disputed two sessions in this House. The report of their own official confirms the representations made by those who asked for the renewal of this bounty and confirms to the letter all the contentions of the hon. member for West Lambton. This government is now disclosed—by its own official as by surrounding facts which support the official—as having adopted a course which, for a comparatively paltry sum, is going to result in the destruction of a very considerable industry in an important section of Ontario—is resulting in it now, inch by inch, and day by day; that is going to result in the demoralization of other industries dependent thereon, and in the probable collapse —at all events partial collapse—of otherwise flourishing towns.

9 p.m.

Item agreed to.

For publication of English and French editions of reports, maps, illustrations, et cetera, $55,000.

Mr. McQUARRIE: Will the minister give the details of this vote?

Mr. STEWART (Argenteuil): This is the usual amount that is voted from year to year for these publications. These publications of the work of the geological parties in the various fields in which they work are now in the press in English and French.

Mr. McQUARRIE: What is the cost of the French and of the English respectively?

Mr. STEWART (Argenteuil): The English publications cost $18,000, the French, $9,000, and the publication of the maps $12,000. Then there is the wages of the engravers $9,000 and cost of illustrations $7,000, making a total of $55,000.

Mr. STEVENS: I notice that there is an item for $40,000 in the Mines branch, $55,000 here for publications, and a little lower down in the same vote for "chemicals, books of reference, miscellaneous" and so forth, another $50,000?

Mr. STEWART (Argenteuil): That is the museum vote.

Mr. STEVENS: I see. But there are the other two items I mentioned of $40,000 and $55,000. I am not complaining of the nature of the work performed because I am competent to speak about it only in a very general way, and I know that some of the publications are exceedingly valuable and highly prized by those interested in geological work. But $95,000 does seem like a very large sum for publications for the Mines branch and the Geological survey. Is the result of the work of the Geological survey pretty generally appreciated and used? If it is used, there cannot be much complaint. But, on the other hand, no matter how excellent the work may be, if the knowledge is not widely disseminated, it is not performing its chief function in the expenditure of this $55,000 for publications.

Mr. STEWART (Argenteuil): All these copies of printed publications are used up annually, so that we are not printing copies of reports and having them filed away. A great deal of interest is taken in mining in Canada and many of these publications go out of the country for the information of outside investors.

Mr. STEVENS: What method of distribution is used?

Mr. STEWART (Argenteuil): We have a list. Of course we receive many requests also, and these publications as soon as they are ready are furnished to interested parties.

Mr. STEVENS: Is there any charge for them?

Mr. STEWART (Argenteuil): To people inside of Canada the publications are free, but if they go outside of the country, we make in some instances a small charge for them.

Mr. STEVENS: I do not want to be too critical, but I think, in the interest of economy, something could be done. Some of these publications are printed upon very fine paper. The illustrations are excellent and costly, and I assume, and, I think, rightly, that they are quite useless and needless, shall I say, to a large number of individuals who would apply for this literature. Many, for instance, in my province, would appreciate and use geological reports on their district to great advantage, and they would prize them very highly. But, perhaps, 60 to 75 per cent of the publications they are not interested in at all. An effort might be made to lessen the number for free distribution containing these highly expensive engravings and the costly paper upon which they are printed.

Mr. STEWART (Argenteuil): We have paid some attention both to the quality of paper going into these publications and to the distribution. They are being distributed, not to people who will be entirely uninterested, but very largely to people who are much interested in them. We might adopt a new policy altogether and send them out only to those who apply for them.

Mr. STEVENS: I think most people would be prepared to pay a small fee, for instance, twenty-five cents, fifty cents, for some of these reports. They are excellent and easily worth the money. A fee might be charged that would at least partly cover the cost. This is a fairly large sum for this free work.

Item agreed to.

For maintenance of offices and museum, instruments, chemicals, books of reference, miscellaneous assistance and contingencies, $50,000.

Mr. McQUARRIE: What are the details of this item?

Mr. STEWART (Argenteuil): The details are as follows:

Clerical assistance, wages of mechanics, labourers, etc..	$18,500
Stationery, mapping material, sundry printing..	10,000
Chemical laboratory supplies and apparatus, lumber, hardware, freight and express charges, cartages, customs, duty, etc.. ..	7,500
Photographic supplies..	3,500
Library books and subscriptions..	3,500
Instruments and repairs..	3,500
Postages and telegrams..	1,500
Advertising..	1,000
Miscellaneous..	1,000

Mr. KNOX: Is this the Victoria Museum?

Mr. STEWART (Argenteuil): Yes. The Victoria Memorial Museum.

Mr. STEVENS: Do the clerks and other employees in the civil service not come under the civil list?

Mr. STEWART (Argenteuil): Not all of them. We have not that happy condition where they are all in the civil list, although we are getting them in as fast as we can.

Mr. STEVENS: Last night we found that the Minister of Trade and Commerce (Mr.

Low) had a group of clerks under a general vote not disclosing the vote as being for salaries of clerks. We have now a very extensive civil list at the back of the estimates, showing the number and so on; but constantly we are finding in the departmental estimate large general sums covering salaries, wages and so forth of a number of employees. We should disclose all of these employees in the civil list.

Mr. STEWART (Argenteuil): I think every man who is working in the service of the government should be in the civil list and I have said so repeatedly. This, however, is mostly made up of mechanics who are working in or about the museum. There are some carpenters and labourers. That is quite all right, but there are a few clerks. I cannot give my hon. friend the details, but I agree with him that everyone on the clerical staff should be in the civil list.

Mr. STEVENS: We shall take it for granted that the minister will get them on the civil list as soon as he can.

Mr. STEWART: Just as speedily as I can.

Item agreed to.

For museum equipment, $10,000.

Mr. STEVENS: What is this for?

Mr. STEWART (Argenteuil): Nearly all the specimens at the museum are now being put under glass. Instead of buying the cases from a furniture company, we are making them on the ground with cabinet makers. We find that we can save a great deal of money by so doing and, in addition, preserve the specimens very much better than when they are open to the dust in the building. We are trying to get them under glass as speedily as possible. That is what this $10,000 is for.

Mr. WOODSWORTH: The National Gallery to a certain extent serves outside communities by pictures being sent out to them. Has the possibility ever been considered of having some sort of an arrangement of that kind with regard to the exhibits, so that exhibits along certain lines might be sent to outlying districts? It is all very well for Ottawa people to enjoy and profit by these exhibits, and for students to come here and study them. But would it not be a great advantage if, occasionally, other parts of the country benefited by these exhibits?

Mr. STEWART (Argenteuil): The Art Gallery is not under the control of the department. It is under a board.

Mr. WOODSWORTH: I quite understand that.

Mr. STEWART (Argenteuil): I shall be glad to pass on to that board the suggestion of my hon. friend.

Mr. WOODSWORTH: The minister misunderstood me. I said that in the case of the Art Gallery a certain amount of extension work was being done. It might be possible to do something of that kind in the case of the museum. Occasionally an exhibit of a certain character might be sent out to some of the western cities to stimulate interest in our Canadian national resources.

Mr. STEWART (Argenteuil): Just what has my hon. friend in mind? We have exhibits of minerals that are easily moved, but as he well knows there are in the museum many exhibits of a very fragile nature which would not stand moving about very well.

Item agreed to.

Compassionate allowance to Mrs. Anna Kohl, widow of the late Harold Kohl, a chemist in the employ of the Mines department, $3,000.

Mr. McQUARRIE: The minister might explain this.

Mr. STEWART (Argenteuil): Perhaps I had better read the memorandum I have on this vote:

The late Harold Kohl was employed as a chemist in the chemical laboratory of the fuel testing division of this department. He was a young man who rendered intelligent and conscientious service. Since his demise it appears that he continued uncomplainingly at work for months when in fairness to himself and his family he should have had sick leave; for constitutionally he seems to have been not properly fitted for the endurance of the confinement and the exposure to fumes which a chemist may in the performance of his duties have to endure. For the reason stated it seems that a compassionate allowance might justifiably be made to the widow of the late Mr. Kohl, who has besides herself four children under the age of eight years to provide for.

I thought it was a worthy case.

Item agreed to.

Grant to Imperial Institute, $12,849.

Mr. WOODSWORTH: May we have some information in regard to this vote?

Mr. STEWART (Argenteuil): This represents a considerable reduction in comparison with former votes. Formerly it was in two items; now we have it in one, and for the sake of brevity I might read a memorandum to show how this came about:

At the Imperial Economic conference 1923, a resolution was passed providing for the reorganization of the Imperial Institute and the amalgamation with it of the Imperial Mineral Resources Bureau. It was agreed also that the exhibition galleries of the Imperial In-

stitute should no longer be maintained and, in consequence, the expenses of supporting the two bodies would be greatly reduced.

The annual cost of maintaining the reorganized institute on the basis mentioned is estimated at £39,000 per annum. Of this amount £14,000 will be obtained from endowment, annuity, fees for work and rent of part of the building, leaving £25,000 to be provided annually by the governments concerned.

The conference agreed that this amount should be provided as set forth below,—each government agreeing to contribute its share annually for a period of five years:

Great Britain	£9,000
Colonies and protectorates	8,000
Canada	2,000
Australia	2,000
South Africa	1,200
New Zealand	1,200
India	1,200
Irish Free State	200
Newfoundland	200
	£25,000

This is the way in which the institute is now maintained.

Mr. JELLIFF: How are the proceedings of the institute carried on? Do they hold conventions and discuss these subjects?

Mr. STEWART (Argenteuil): Their work is purely investigatory but it is under imperial auspices. It is of very great interest to mining industries throughout the empire.

Item agreed to.

DEPARTMENT OF AGRICULTURE

Agriculture—Entomology, $20,000.

Mr. LUCAS: How does the minister explain the decrease?

Hon. W. R. MOTHERWELL (Minister of Agriculture): The vote is subdivided as follows:

Printing	$10,000
Apparatus and scientific supplies	2,000
Annual grant to Imperial Bureau of Entomology	5,000
Various minor items	3,000

Last year we put in a pretty good supply of equipment and instruments and we find now that we can reduce the vote without endangering the service. This accounts for the decrease.

Mr. HANSON: Is this for equipment?

Mr. MOTHERWELL: Two thousand dollars.

Mr. HANSON: Merely for equipment at Ottawa?

[Mr. C. A. Stewart.]

Mr. MOTHERWELL: Yes. The offices are in the Birks building on Sparks street, Ottawa.

Item agreed to.

Administration of the Destructive Insect and Pest Act and necessary buildings, $375,000.

Mr. HANSON: This is a very large item and a very large increase. What work has been carried on in the past, and what is the cause of the increase?

Mr. MOTHERWELL: The total appropriation is $375,000. The items are:

Entomological branch	$220,000
Experimental farm (Division of Botany)	155,000

Then we have a further subdivision of the vote. The two causes which led to this increase are, first, the increased activities out in the west in connection with the problem of rust, the endeavour to find a rust-proof wheat, or otherwise dealing with the rust problem in some manner that will reduce as far as possible these ravages. This has necessitated the construction of a laboratory at Winnipeg in conjunction with the college in that province. This was partly taken care of last year by a vote for that purpose, and the balance will be taken care of by this vote. The proposition is to put up a fumigating and inspection plant in the city of Montreal to inspect or fumigate certain plant products and such other commodities as require fumigating. This is the result of a new regulation that has been adopted in the United States. A law was recently put on their statutes to provide for the inspection of all plants going into the United States, and as we had a working arrangement with the United States, in order to continue our trade with that country the necessity was imposed upon us of bringing down a similar provision that all shrubs and bulbs coming into Canada would have to be inspected. At the same time this will prevent contagion and will provide the necessary supervision to continue the trade backward and forward between Canada and the United States. We have taken this initial step to provide for this inspection and fumigating plant in the city of Montreal. In addition to this, we intend to use it for fumigating embargoed cargoes that still persist in coming into the country, packed in straw. The House has heard from various members, particularly the hon. member from Vancouver Centre (Mr. Stevens), whose case I think we have been able to look after all right, because we had a fumigating plant at Vancouver sufficient to take care of the goods after they had been reduced down to about 20 per cent of what they were last January, by our pro-

hibitory law. They still come in but not in such quantities that the plant at Vancouver cannot now take care of them. We need a plant at Montreal, and we are going to combine it for these three purposes, shrubs, bulbs and other commodities, and occasionally other cargoes that come in packed in straw. The increase is due to these two causes.

Mr. FORKE: This is a very large vote, and I would not like to reduce it one dollar, if I thought the money was being spent to advantage. As the years pass and the country gets older we find the damage by pests of all kinds is increasing rapidly. Man is able to handle beasts of prey, lions, tigers and those animals that perhaps create a terror in the minds of man, but after all the real danger to humanity to-day is the insect pest. I suppose most hon. members have read about it, and have an idea what it means. If we have no system of combating the insect pest I have no hesitation in saying that in a short time man will be unable to live on this globe which we now inhabit.

It is all right enough for hon. gentlemen to laugh, but it is a very serious matter. Coming down to what we are more familiar with, farm life and growing of crops, we know that the pests are increasing. Out west, when we first began to grow wheat, we had no pests. Now I could name them by almost the dozen. One thing after another comes along, and we are trying to discover some method of combating not only the insect pest but fungi, such as rust. As I said in opening, I would not like to cut down the grant in any way provided the money be spent to the best advantage. We have this trouble with fruit, with trees and with the foliage, and all kinds of crops. This pest of rust means millions of dollars of loss to the wheat crops of Canada. I would like some information as to what is being done in regard to an investigation in the matter of rust. Is there any increase in the knowledge of how rust damages the wheat or where it comes from? I have listened to a great many addresses and talks about rust, but I have never heard anything to lead me to believe that we are on the way to some discovery which will combat this disease which threatens our agriculture.

Mr. MOTHERWELL: I am very glad to welcome my hon. friend as a doubting lieutenant in this crusade against rust, and not only against rust but against all forms of insect pest and fungi, fungus diseases, because we have come to an age when it is a fight between man and the insect pest. That will be our next great war, and we are right into it now. Let us examine for the moment the remarkable extension of the activities of the corn-borer in Essex, Kent and adjoining counties. It has increased from five hundred to a thousand per cent in its activities this last year, at a time when the people were beginning to think it was about exterminated. The old-fashioned potato bug has caused a complete embargo on our potatoes going into Great Britain. The high tariff of the United States stopped our potatoes going in there, and something else stopped them from going to Cuba, with the result that we have no country to which we can send our potatoes, and one of the causes is the potato bug. In British Columbia we have the fire blight which attacks apples and pears particularly, and in Australia they have placed an embargo against fruit of that class from Canada. I think the embargo was improperly placed, but it is there. All across the continent, from one end to the other, we have pests of this kind, so that in the last two decades there have been no less than seventy-two pieces of legislation, regulation and embargo, passed by the parliament of Canada against goods from other countries, and those countries in turn have passed legislation against imports from Canada, for similar reasons. So that hon. gentlemen will see that the very continuity of our trade depends upon keeping our products free from insect and fungus pests. This fact cannot be too strongly impressed upon the committee. The matter of bugs and bacteria has been made the occasion of a legitimate amount of jest, and we take advantage of it and regard it as a joke. To the man who has had his grain crop attacked by rust two or three years in succession, the thing is no joke. Ask the hon. member for Assiniboia (Mr. Gould) if it was a joke when the land was almost covered with grasshoppers through southern Saskatchewan and into Manitoba and Alberta. Had nature not come to the relief of the provincial government and the municipalities in the shape of a parasite these grasshoppers would not have been rounded up as quickly as they were. Last year the committee on Agriculture, after hearing Professor Gussow's very excellent address on the tremendous annual losses Canada sustains as a result of cereal diseases, including rust, recommended to the House that $50,000 be expended in the launching of a vigorous campaign against these plagues. Last year $25,000 was appropriated for this purpose, most of which was spent on equipment for the new laboratory. Last Sep-

tember Dr. Grisdale, representing the department, and Dr. Tory, representing the Research Council, invited a number of gentlemen interested in this investigatory work both in the United States and Canada to an international rust conference at Winnipeg, and there the foundation was laid of a strong campaign on the part of both countries against these diseases. Since then there have been several meetings of the sub-committee that was appointed, and Dr. Tory, Dr. Grisdale and Dr. Murray have gone down to the United States looking for the very best men who could be found to deal with the question of fungus diseases, because we have not got in Canada a sufficient number of trained experts to take care of this work. We entered into an agreement with the college authorities of Manitoba under which as their contribution to these activities there should be set apart twenty-five acres of land close to the college buildings, with provision of heat, power and light, the federal government to supply the building and equipment.

Mr. HOEY: What is the estimated cost of the building?

Mr. MOTHERWELL: About $40,000, including equipment. In January last the authorities of the Dominion, Manitoba, Alberta and Saskatchewan met to lay out this work. While we wanted to proceed in co-operation with the United States authorities, we constantly reporting to them and they to us, it was felt that we should have a specific plan for Canada and that certain matters should be delegated to the Winnipeg authorities, certain others to the laboratory authorities at Saskatoon, others to Alberta and others to the Central farm at Ottawa, so that we would have the work going along concurrently at these four points, with the central activity at Winnipeg. A good many theories have been advanced as to the cause of rust. It is known that some varieties of wheat are immune to it while others are quite susceptible. The old Scott wheat was comparatively immune, while the Clawson wheat was susceptible to it. Twelve or fifteen years ago the idea was conceived of developing a wheat plant that would be immune from rust. During the past ten years more has been learned about rust than has been learned in the preceding two hundred years, in searching about for a plant that would be immune. It has been found that there are no less than thirty-nine different species of rust, and that some varieties of wheat are immune from some of the rust species but not from others. It was thought by some that the barberry bush was the primary cause of the rust; that it acted as a host plant for the rust spore. It has since been discovered by experiment that these spores are carried in the upper currents of the atmosphere, usually from south to north, starting with the early ripening wheat in Texas and proceeding northward through Kansas, the Dakotas and Minnesota, and thence into Manitoba and Saskatchewan, and now to some extent in Alberta. On a calm day these spores, having been carried in the upper currents, are precipitated on the crop. A calm, murky day, with intermittent sunshine and rain, is what we call a bad rust day.

Mr. FORKE. I doubt it. When we have had a bad attack of rust it has usually followed extreme heat.

Mr. MOTHERWELL: If you have a period of drought lasting three or four weeks the plant is weakened, and then when there is just enough moisture to make the rust spores develop they commence to drive their activities home on the plant. If you have it bright, fair, dry and cold, the danger from rust is not so great; it is warm enough for the growth of the wheat but too cold to encourage the rapid development of the rust. For the most part it is a question of a neck-and-neck race. As a matter of fact, it has proved to be a neck-and-neck race. Had it been a little warmer, a little moister, a little calmer, the rust would have developed. That is the theory, and that is as far as we have got—as far as I have got at all events. I had the privilege of meeting some of the very best experts of the United States who had made a life study of this problem, and they are all of the one mind, that one of the most fruitful sources of contagion is through the upper currents of the atmosphere, running three and four miles high and then quietly dropping. Now how are we going to ward that off? We cannot put an umbrella over the country and ward it off. We can do something practical in eradicating the barberry bush, and there is a campaign all over the United States, in every wheat state, to eradicate the barberry bush. A regular survey is being made of the country, and everywhere the barberry bush is found they go after it. That is one thing we can control, but there is no way of controlling the winds, and the waves, if you like to put it that way. Man has no dominion over the winds, especially the upper currents. I suppose some of the flying men have found that out, although they have pretty well navigated the upper currents.

The only way to meet the difficulty is to have a rust-resisting plant developed. Any wheat that will ripen more early is more resistant to rust. Marquis wheat is more resistant. It crosses the line before the rust can get after it, and the binder is cutting. Then we have that newer wheat, Garnet, a very good wheat, which is some eight or nine days earlier. Even if it were not more resistant than Marquis, the fact that it is some eight days earlier puts it in the running.

Mr. KNOX: Does not the minister think there is a possibility of the rust starting right down at the gulf of Mexico and coming up with the wheat crop as it gradually ripens?

Mr. MOTHERWELL: I may say, Mr. Chairman, that that is along the line of the investigational work. Those are the sources of contagion known so far, and they are confirmed by the best investigators who have made a life study of this problem in the United States. At the conference at Winnipeg, these experts were very pronounced on these two sources of contagion, and were exceedingly insistent that we should pursue our campaign against the buckthorn and the barberry, because that came within our powers. Wherever you see the barberry bush adjacent to a wheat field, you will see lots of rust in the immediate vicinity. Other sources of contagion may be discovered, and experts are working on the different breeds. Kota wheat, while not as good as some of the others is resistant to some varieties of spores, but not to them all. That is the stage, roughly speaking, where the investigation is at the present time.

Mr. LEADER: We all appreciate the fact that the minister is doing what he can to fight ravages of insect pests, including rust. As one who has had practical experience of its ravages, I wish to express my appreciation of the attempt, at least, of the government to find some solution for this problem.

Now I would like to get back to the financial end. This matter was up for discussion in the committee on Agriculture, and I think the deputy minister gave us the information that the government contemplated erecting in Winnipeg, on the Agricultural College site, a laboratory building in connection with this work. I would like to ask the minister if it is the intention of the government to go on with this building, what is the probable cost, and if they have made any arrangement with the Manitoba government, and if so, whether the Manitoba government have agreed to the arrangement made.

Mr. MOTHERWELL: I think my hon. friend could not have been in when I gave that information. I gave that before, as I thought it was the first information I should give. We have an agreement, signed and delivered, whereby the Manitoba government, through the College of Agriculture, supplies the land, the heat, power and light, while this government supplies the building and equipment. About $15,000 of last year's vote was devoted to equipment. We could not build in the winter, but we could buy the equipment. About $25,000 of this increase goes to put up the laboratory, and the $15,000 of equipment is ready to move in. The other $25,000 goes to another laboratory for a similar purpose in the city of Montreal.

Mr. LEADER: I listened to the discussion, but I wanted it brought out distinctly whether or not the Manitoba government had agreed to this. The minister says they have agreed to it. I have it upon good authority that they have not agreed to the proposition, but that is by the way.

Mr. MOTHERWELL: What is my hon. friend's authority for that?

Mr. LEADER: I have it here, and I can give it to the minister.

Mr. MOTHERWELL: There was a while when the matter was referred from the president of the college and the president of the university to the government for confirmation, and the Premier of Manitoba drew attention to certain changes he desired, and these changes were covered by a communication from myself. So far as I know it is satisfactory. It is not material anyway; we are going ahead anyhow; we have an arrangement made.

Mr. LEADER: In view of the fact that we have in Manitoba a plant that cost approximately $4,000,000, not a cent of which has ever been paid—we have borrowed the money and are paying interest on it still—in view also of the fact that that plant is being utilized to only about one-half of its capacity, because although every building may be utilized for some specific purpose, they are being utilized to only one-half their capacity, I think it is a serious thing for this government or the Manitoba government to contemplate any additional expenditure for extensions to the buildings we have there now. Unless the government have made all possible investigations and have found they cannot get out

of putting up that building, I would say to them to-night in all earnestness that they should make every attempt to see if they cannot utilize some of the buildings already there for this worthy purpose. I am heartily in accord with the work that is to be done. I wish to see it go on, and I would not be niggardly in appropriating money for this work, because it is very important work, but I would hesitate spending more public money for buildings in Winnipeg when we have already $4,000,000 tied up in buildings now, not one dollar of which has been paid.

Mr. MOTHERWELL: We tried hard to get a little corner of that $4,000,000, but we could not, We went into it thoroughly with President McLean and President McKillican, of the Agricultural college. They have a very fine laboratory there, but it is practically all in use at the present time, and if we went in there as well we would be simply crowding each other, and that would not be a very good start for harmonious team play between two governments; it would be like a team of horses each crowding for the road, and my hon. friend knows they do not go very good that way. Then we tried to get an adjoining building, the mechanical building. We tried every way, and hesitated a long while because we wanted to have good equipment, but finally we were driven to the conclusion that there was only one way, and that was to put up a new building. There was no building and in such a situation as this the necessary thing is to get the land and the buildings close together. They would not let us have it under any consideration whatever, and yet it is necessary that the land should be adjacent to the building for the convenience of the work. I can assure my hon. friend that we felt and the Manitoba government felt just as strongly, the desirability of not incurring any unnecessary expense. They are quite as conscious as anybody can be that they have got all the money they want invested in buildings, and they were quite generous in their views as to the disposition of the land for this purpose, and for the provision of heat, power and light. Now an arrangement has been entered into that when we come to dissolve partnership there will be a suitable settlement arrived at.

Mr. LEADER: I understand that the arrangement has not been agreed to by the Manitoba government either, but I wish to stress this fact: Notwithstanding that we have this mammoth plant in Manitoba, and similar plants all over the Dominion, there is a desire for further building to carry on this work. I do not believe the members of the House begin to appreciate the amount of money that we have got tied up in public buildings in this country. On this subject I should like to read an extract from the Manitoba Free Press. This is from an interview given by the agricultural experts from the Old Country who toured this country last year. It is a short extract which is very appropriate to the subject and I will read it. It will go to show what they think of our elaborate plants in Canada.

Mr. MOTHERWELL: Whose opinion is my hon. friend going to quote?

Mr. LEADER: I am going to quote from an interview given by the British experts who toured Canada last year. This extract is taken from the Manitoba Free Press of September 2, 1924. This is what it says:

> All through our tour we have coveted the magnificent agricultural colleges and experimental stations of Canada. The money which has been expended on any one agricultural college in Canada is many times greater than that expended on any similar institution in the British Isles, probably more than has been spent in erecting all the similar institutions of Scotland or Ireland, and possibly of England.

Yet we find it necessary, although we have less than one-quarter the population they have, to erect additional buildings.

Mr. MOTHERWELL: If my hon. friend thinks he can find a corner in those magnificent buildings in which we can do this work the chances are yet good. We have not started to put up the building; we are just getting the plans out.

Mr. FORKE: Did you try the parliament building?

Mr. MOTHERWELL: That is reserved for another purpose. We certainly exhausted our energy in searching in every quarter we could to secure a place in which we could do good work. The fact that this is an expensive building does not necessarily imply that there will be a corresponding working space. It is a magnificent building, at least to look at, and one that you can take a pride in. At the same time there is not the room available corresponding at all to its appearance. We were not looking for grand architecture, we wanted a working laboratory, and we now have an agreement with the Manitoba government in which they have concurred. We tried to get into what they call the mechanical building, we tried to get accommodation everywhere we could, before we reached a decision. As a matter of fact we have not started to build yet

Mr. BROWN: I understand the buildings are to be suitable in every way, and that a large number of hot houses will be needed to carry on this work effectively; is that true?

Mr. MOTHERWELL: Yes, that is right.

Mr. BROWN: I do not think there is any more important work the government can undertake than this particular work. It is a kind of work, I think, that if it is to be done at all must be done properly.

Mr. MOTHERWELL: Sure.

Mr. BROWN: There is simply no use in attempting to do this work unless it is done well.

Mr. MOTHERWELL: Hear, hear.

Mr. BROWN: While none of us like to see more buildings put up than are necessary, yet I can appreciate the fact that this special work requires a particular kind of building, and a somewhat expensive kind of building too.

Mr. MOTHERWELL: Hear, hear.

Mr. BROWN: For my part while I would urge the most economical construction possible in this building, I would not like to put a stone in the way of carrying out the proposition that has been entered into for it is most important work that we are engaged in.

Mr. LEADER: May I just add a word or two. I think it is most important to carry on this work also; I do not want the committee for a moment to imagine I am opposing the work undertaken by the government. But I am protesting against any additional expenditure in public buildings, and I want the fact brought out that either this government or the Manitoba government will be held responsible by the people for this further expenditure on public buildings. If this government claims that it could not get along without this building, that there was nothing suitable already available, it will have to take the blame. And if the Manitoba government says "We cannot accommodate you in our buildings, they are for our own private use," they will have to take the blame and the responsibility for their action before the people.

Mr. MOTHERWELL: After the generous way in which the committee on Agriculture took hold of this last year, and made the recommendation that $25,000 should be devoted to the desired object, we would have been very remiss in our duty if we did not go forward with this work just as rapidly as we could. We have done so. We could not get the buildings sought, and we have entered into an agreement with the Manitoba government. That government has agreed to the arrangement. Oh yes. My hon. friend (Mr. Leader) will have to do more than shake his head. I do not know what he has got there to the contrary. I have written to the Premier of Manitoba and we have an agreement with the authorities of the university. There was a time when the Manitoba government did point to the necessity of some supplementary understanding so that in the event of our dissolving partnership there would be a friendly dissolution. I may say further that our working relations with the Manitoba government have been most friendly and cordial from the beginning, and in order to have those relations continue it was necessary to have that thorough understanding and then start out. I think we are in good shape to do good work. May I point out to my hon. friend that the very fact that we are co-operating with them is another indication that we are trying to cut out unnecessary duplication. We are working in conjunction not only with the government of Manitoba but also with the governments of Alberta and Saskatchewan. I think my hon friend is just getting the wrong steer on that question, the wrong slant on it, that is all. He has got, well a little bit of something to talk about, you know.

Mr. LEADER: I can assure the minister that I have not got—did he say?—a wrong steer. I have got the authority in my hand to establish that the Manitoba government has not yet approved of this.

Mr. MOTHERWELL: What date is that?

Mr. LEADER: It is dated March 10, 1925.

Mr. MOTHERWELL: Oh that is quite a while ago.

Mr. LEADER: It is a letter from a private individual, but I have no hesitation in letting the minister see the signature.

Mr. MOTHERWELL: Well, my goodness, governments I know are proverbially slow but nevertheless there has surely been time to adjust the matter since March 10. I will take my hon. friend's word for it that the date is March 10, but just the same I assure him that there was not a hitch or a disagreement with the Manitoba authorities. They did think however that there should be a thorough understanding in the event of a time coming when we thought it desirable to dissolve partnership on the work. However, I accept my hon. friend's statement that the date he speaks of was two months ago.

Mr. LEADER: In the committee on Agriculture the intimation was given by the Deputy Minister of Agriculture that they could not get the building owing to the attitude of the Manitoba government, that they did not think anything there suited them. Immediately after that I wrote to Winnipeg and received this letter, so the arrangement was not completed on that date, March 10.

10 p.m.

Mr. MOTHERWELL: Pardon me I do not want to be like the individual that wants the last word, but is not that two months ago? We are talking of conditions to-day. That was over two months ago.

Mr. LEADER: Yes but I understand you claim an arrangement was made before the deputy minister made his announcement in the committee which was before March 10.

Mr. MOTHERWELL: Oh well!

Mr. MILNE: As one who has been following this proposal very closely I want to say at the outset that I am very pleased indeed to see the co-operative spirit that exists between the provinces of Manitoba, Saskatchewan and Alberta, also the progress towards an international arrangement that has been made with the northern states interested in this same rust problem. I think the parties interested are greatly to be praised for bringing about this cordial spirit of co-operation in a movement to overcome the dreaded disease known as rust. In regard to the buildings at Winnipeg I understand that a committee of the university met the officers of the federal Department of Agriculture and both parties went to the agricultural college and made a thorough survey. Personally, I was firmly of opinion that space should be available at that institution to carry on this work. Not being familiar with the technical part of this work, I must confess that I have been compelled to give way to the opinions of those who have made a study and know something of it. The report of the committee was that it was impossible to get laboratory, greenhouse and field space that could be so arranged at the present time as to carry on the work efficiently. I am convinced that the parties who were looking into this matter were doing so with the intention of doing the best possible in fighting this disease. Consequently, I give way to the officials who have decided that it is impossible to get the proper space. But I feel so strongly on the question that sometimes I would almost like to ask the department, even yet, if it is not too late, to see if it is not possible to get some space there and not to spend more money than is absolutely essential. I may be wrong. But I have the feeling sometimes that some of our scientific men have a tendency towards extravagance and ask for things just a little more handy than is absolutely necessary for really efficient work. I do not want to hamper the efficiency of the staff in any way, but I should like the government to do the work as cheaply and economically as they possibly can. If the building is not under way yet, I feel so strongly on this that I would almost suggest that a new survey of available space should be made. I am not casting any reflection upon the officers or the committee that looked into this question. I believe they were sincere and anxious to bring about the best possible results and I am going to leave it at that. I am going to give way regarding this question if these scientific men are firmly convinced that it is impossible to carry on the work efficiently in the present buildings. I will not oppose the expenditure for a moment, because it is essential that something be done immediately to combat this disease.

Mr. MOTHERWELL: While we have already had three surveys made for the purpose in view that the hon. member mentions, that is to see if we could not find some of these buildings suitable for the work, one survey being made in September immediately after the international conference when I was there, the next in January and the last in April, in spite of that, I will assure my hon. friend that we shall draw the matter again to Premier Bracken's attention and send him a marked copy of Hansard showing this discussion. If any space is discovered in the meantime, it is not too late, but we must proceed as quickly as possible with the work. You have expected us to do that. Are there any other suggestions, because this is a work which people have been at for years and years, and in my estimation, we are only in the a-b-c of it. I am not beguiled by the thought that we are going to solve this problem in a year. It may take five years or it may take twenty-five years. This committee is aware of the research work that has been done during the last twenty-five years in regard to the eradication of tuberculosis. There is still something to be done that will immunize animals and mankind too from the ravages of this disease. Those who are doing this work are getting hotter, as the saying is. They are coming to know more about it. No man, however, can tell yet what may be accomplished. All we know is that there is

sufficient persistence in man to surmount this difficulty in time.

Mr. HOEY: Provided that no suitable building is discovered at the college or in the city of Winnipeg, is it the intention of the department to go ahead with the new building this season?

Mr. MOTHERWELL: Yes. The land is secured and the plans are all prepared.

Mr. KNOX: The minister asks for suggestions. I would suggest that we have a university at Saskatoon where suitable buildings might be found.

Mr. MOTHERWELL: Some of the work is being done there by Mr. Fraser, a very good man. He has associates there, and he is doing the work under the supervision of President Murray who is so intensely interested in it that he went down into the United States to help us to hunt three good men for the work.

Mr. EVANS: I appreciate the importance of carrying on this work, but at the same time I wish to add my protest to that of the hon. member for Portage la Prairie (Mr. Leader). The Dominion seems top-heavy with public buildings from one end to the other.

Mr. MOTHERWELL: What is the particular protest now?

Mr. EVANS: That we should not go on with this building on the campus of the university at Winnipeg.

Mr. MOTHERWELL: Where should we put it?

Mr. EVANS: I believe we could have found room at Saskatoon. I do not believe it is necessary that this work should be carried on at Winnipeg. We have at Saskatoon many public buildings that I do not think are overcrowded at all, and we could have found room there. The work will be temporary to a large extent, and I am inclined to think, if we are going to find a remedy at all, we shall do so very soon. We are spending rather too much money in bricks and mortar throughout the Dominion in the present financial state of this country. With all the empty buildings that there are in the cities we could have found room for this work without putting up another building costing as much as it is expected to cost.

Mr. STEVENS: We have been hearing some objections to expenditures. I want to bring something to the attention of the minister, and I hasten to do so now because I have been waiting for just fifty minutes to get a chance to ask the minister a question. While this discussion is very interesting and instructive, I think this is important. We are now discussing the administration of the Destructive Insect and Pest Act. I have here a compilation from the Auditor General's report of the amounts spent last year in travelling expenses in the Department of Agriculture. I want to give this list to the minister now and to suggest that perhaps too much money is being spent in this way which could be better spent in actual work. I am not unduly complaining, but I think sometimes if we get the magnitude of these expenditures, it will lead, perhaps, to greater economy. This is a list of the travelling expenses in the Department of Agriculture, including the item that is under discussion now, for the year ended March 31, 1924.

Mr. MOTHERWELL: For all purposes?

Mr. STEVENS: Yes. It does not include automobiles. I am making that reservation. That must be added, whatever the cost of them may be:

Officials at Ottawa..	$86,591 68
Outside service—	
Agricultural Instruction Act..	1,065 58
Dairying..	36,431 62
Destructive Insect and Pest Act..	71,300 54
Experimental farms..	39,063 14
Fruits..	55,271 37
Health of animals..	253,817 53
Livestock industry..	271,996 93
Seed, feed, and fertilizer control..	50,744 79
Total..	$866,283 18

I checked some of the details although I had not time to go into the matter very closely. But I was interested to find if possible some reason for the excessive expenditure and I discovered, for example, that at one experimental farm there were two men whose travelling expenses, although their per diem allowance was the same, differed considerably. I have not the details before me, but speaking from memory I should say that one man for a lesser number of days had double the amount of travelling expenses. I found the same sort of thing in several instances, and I think that we may fairly assume that the man with the lower expense account is a good official who is careful of the public's money. The man who has an inordinate travelling expense account, with the same per diem allowance, although he does not travel the same number of days, certainly is not so good an official, or at any rate the indication is that there is some laxity. This magnificent vote is given without any grudge to agriculture year after year because, I think, the whole country is anxious to promote the work that

is done and is ready to give it general support. But when we find an item of $866,000 in one year for travelling expenses, exclusive of the cost of a large number of automobiles and so on, then I say that there is something that evidently merits very careful consideration.

There should be a strict investigation on the part of the minister or on the part of competent officials in his department into the whole question. A first class accountant, one of his own staff, might be directed to check up this class of expenditure. I venture to say that if this were done a saving of 20 per cent could easily be effected; indeed, I should not be surprised if the department could save 30 or 40 per cent. But suppose we put it at 25 per cent; that would represent a saving of over $200,000, a considerable sum. I know that the minister is an exceedingly busy man, and all that is necessary in the circumstances is to call this abnormal expenditure to his attention to have this extravagance curtailed.

Mr. MOTHERWELL: That is a fair enough criticism. But where the work of a department like that of agriculture is largely educational and is carried on by officials who are not fixed in any particular locality, the expenditure must of necessity be largely for salaries and travelling expenses. The hon. member (Mr. Caldwell) reminds me of the question of certified potatoes. Well, there are thirty or thirty-five competent men set aside for work in this connection in the Maritime provinces, and their expenses are practically all for travelling. I presume the cost of transportation on the mileage basis would be the same there as anywhere else but the general expenses would depend on the nature of the locality they were in. I must impress upon the committee the fact that a close check is kept by means of vouchers on all these expenses. The men are not given a flat per diem allowance; it is transportation plus whatever it costs them, and that as I say would depend upon the district in which they were travelling. For instance, in some of the cities of British Columbia and the west there are some exceedingly fine hotels, and if the officials found it necessary to put up at some hotel in Calgary or Vancouver the cost would naturally be higher than it would be in some other parts of the country. I do not suppose they would take either the worst or the best hotels; they would go to middle class places. But even there there would be a vast difference and their expenses would be greater than if they were travelling in districts where the hotels are of a modest character. One man might take a long trip to Calgary or even to Victoria and necessarily his expense account would be high; it would be higher than the account of some other man travelling somewhere else. Take the health of animals branch; there are in connection with that branch 140 veterinary surgeons and the vote is nearly $2,000,000. Now, outside of something like $700,000 for indemnification in respect of animals slaughtered for tuberculosis the rest practically all goes in salaries and expenses. You cannot station a man at every point where the services of an official are required; these men must travel around. I can quite understand the feeling of my hon. friend who says that the expense is enormous. It is enormous; but I do not see how it is to be avoided. The only thing that can be done, and that is what we are doing, is to keep a close check on all expense accounts. An accountant who is familiar with accounts of this sort easily recognizes where padding takes place, and occasionally that occurs in all departments. But I do not think that our men are extravagant; I do not believe that they patronize hotels which are beyond their reach and which they would not patronize on their own account.

Mr. STEVENS: I hope the minister will accept my criticism as he did a moment ago, in good part.

Mr. MOTHERWELL: I do.

Mr. STEVENS: There are inspectors of fruit and butter and other things, and I think that an effort should be made to have each man cover two or three departments of activity. Take the inspector of butter and eggs and the inspector of fruit in grocery stores, who all come under the various federal acts. There is no reason why one inspector should not cover most of these fields. It might require a bit of co-ordination but it could be done and it would save a good deal of expense. I have met in different towns and cities groups of officers of the department who were all there at the same time. I have no doubt they are quite serious in the performance of their duties, but I do believe that much could be done to reduce this enormous sum.

The case I mentioned was not in an expensive city. I do not want to mention any names, because I have no desire to drag the officials into this House. But the case I have in mind occurred at one of the experimental farms in central Canada and it was such a glaring case that I checked up two or three similar items. I think that a perusal of the Auditor General's report by an accountant in

the department familiar with these matters might lead to a demand for an explanation in cases where there is an obvious difference; and this would have a salutary effect on some officials who are inclined to be extravagant, which perhaps is a tendency to which human nature is prone to give way.

Mr. MOTHERWELL: These remarks are quite all right, and as a matter of fact we are doing that very thing now in one or two cases which I am sorry to have to look into. With regard to assigning a multiplicity of duties to one man, this is being done in some cases. I might mention the Fruit and Vegetable Act under which we have some inspectors that are doing a dual work. In the Seed branch we have seed, feed and fertilizer. The same inspector looks after all these three products, and we have recently added to the duties the inspection of hides and hay. We have been requested for legislation in connection with commercial poison for spraying fruit and trees, and if we pass legislation with respect to that it will be added to the duties of the same class of inspectors under the Seed branch. I question whether we can do that in that department, but we can do it where conditions lend themselves to it. Take the case of the egg inspectors; we have so few of them in comparison with the extent of the country that they are on the hop, skip and jump continuously and it takes them all their time to go after old Biddy and her chicks. I do not think we can add anything to their duties. But wherever it can be done it is being done. In the Seed branch now there is such a great amount of work we wonder where they would come in on this proposition. They are working with the additional load without the additional salary. We have been asked to raise their salaries, owing to the multiplicity of their duties. However, anybody who has endeavoured to obtain reclassification from the Civil Service Commission knows that he has a job ahead of him. In the main we are working along the lines indicated. We have been told that these expenditures are too large. We have looked at them, reviewed them, and re-reviewed and got our accountants to look over them, and occasionally we find places where we can check them up. Now the hon. member for Saskatoon (Mr. Evans) has a protest. That is quite all right, coming from my hon. friend. We expect that. That is the way he is built. He protested against unnecessary expenditure in capital outlay. That point was well taken by him, but before he sat down he was quite agreeable to it if the money was spent in Saskatoon. I do not know whether he is exactly consistent in the position he takes.

Mr. EVANS: The minister is mistaken there.

Mr. MOTHERWELL: I will be glad to accept a correction.

Mr. EVANS: I said we could find room without constructing any building.

Mr. MOTHERWELL: My hon. friend did not protest against the expenditure. He thought the expenditure was all right. Is that the understanding?

Mr. EVANS: No, not for that building.

Mr. MOTHERWELL: Then the hon. gentleman does not want it at Saskatoon. Well, all right, we understand it. I am afraid my hon. friend wants to have his eye both ways, first on the treasury and then on his constituency. Well, there is no harm in that.

Mr. EVANS: Let me put the minister right. I protested against the construction of a new building, and I said I thought room could be found without constructing any building.

Mr. MOTHERWELL: Then my hon. friend did not want it at Saskatoon.

Mr. ROBINSON: Is any portion of this money to be spent in fumigating plants in the Maritime provinces?

Mr. MOTHERWELL: I believe there should be. We have one building at St. John at the present time. I did not visit it when I was there, as I passed through rapidly and had not time, but I understand it is not quite modern in its construction and has not the accommodation required. I understand from my deputy that without much expenditure the one at St. John can be fixed up, but I recognize that is not in Nova Scotia. I think my hon. friend refers to Halifax.

Mr. ROBINSON: I wanted to know about the nursery stock that comes into Nova Scotia from Upper Canada. Is that stock to be fumigated before going in there from the nursery?

Mr. MOTHERWELL: It has to be fumigated somewhere if it comes from outside Canada.

Mr. ROBINSON: It is fumigated at St. John.

Mr. GOULD: I wish to say a word on behalf of the minister and his estimates.

I recollect well that in the committee on Agriculture we listened to an able address on the question of rust by Dr. Gussow, and an animated discussion immediately followed the address. I might state that I liked that address much better than I liked the address on hog raising.

Mr. MOTHERWELL: The hon. gentleman did not think much of the address on hog raising.

Mr. GOULD: But after the animated discussion before the committee on Agriculture last year, we made a unanimous request for a grant of $50,000 for the commencement of the construction of the plant for investigational purposes in regard to rust. When we suffer $90,000,000 damage per year from the ravages of rust, surely hon. gentlemen in this chamber cannot very well criticize an expenditure of $25,000 voted last year, which was only one-half the amount asked for, and one-fourth of the amount which Dr. Gussow recommended, namely $100,000. I think we are just a little too earnest in the application of economy. In my opinion that is false economy.

Mr. MOTHERWELL: Hear, hear.

Mr. GOULD: Because it is a fact we have been losing the wealth of this country to the extent of $90,000,000 a year through the ravages of rust, and the Dominion government at last is waking up to the enormity of this thing and is working in co-operation with the United States Department of Agriculture and in co-operation with the provinces, and probably in the near future we will reach a solution. When we asked for $50,000 last year I understood it was to provide a hothouse, in which to carry on experiments with the barberry bush, which serves as a host plant for the rust germ, and in which scientists could follow the activities of the rust germ particularly through the winter season, something that up to the present time in Canada they have not been able to do. Now if it is necessary to spend money to provide these facilities, I think it is altogether wrong and false economy to suggest that the expenditure should be spread over three or four years, because if the money were spent at the present time the trouble could be overcome. It is wise to expend it in the first place, and then in the years to come we will hope to lose less than $90,000,000 a year. I rise to support the vote, I accept the word of the minister that they have done all they can, and I realize that in using Winnipeg as the location more facilities are offered for the professors at the universities to the south to come in and confer with them, whereas Saskatoon is much further away and more expense would be involved if the experimental plant were located there. I did make a recommendation to the minister in regard to this matter. Arrangements have been made with the University of Manitoba, and the preliminary work is being commenced there. The minister may be sure I will always support any reasonable expenditure for the investigation of rust and insect pests in this country.

Mr. MANION: I would be the last to protest against any expenditure on behalf of the agriculturists of this country, but one cannot help being startled at the expenditure of $866,000 in one year on travelling expenses in one department. I believe there are 420 employees, which would make an average of over $2,000 each for travelling expenses in the year.

Mr. MOTHERWELL: The 420 are the employees in Ottawa. There are about 1,600 all told.

Mr. MANION: Even at that we have about $500 each for travelling. At any rate, $866,000 is a startling figure. Perhaps I owe an apology to gentlemen I criticized for making a trip to Wembley. I remember the chief whip of the Liberal party was very severe in his criticisms of one minister who spent $10,000, or nearly that, on a trip overseas with his secretaries, but this amount of nearly a million in one department makes these other expenditures look like shadow-boxing in comparison. It seems to me the minister could in this respect save some thousands of dollars, without reduction of efficiency, to the people who are already severely burdened with taxation. I cannot help thinking that a great deal of this $866,000 was unnecessarily expended.

Mr. MOTHERWELL: Can my hon. friend point to where it could be cut down?

Mr. MANION: That is not my business; it is for the minister to do that.

Mr. MOTHERWELL: The work of this department is largely educational and must be done for the most part through travelling by members of the staff. The travelling expense is one-seventh of the whole expenditure of the department, and I am surprised it is not more. There is need, of course, for careful supervision, and I think it has got it. My hon. friend's feelings in the matter, as one who has not had any experience in administering affairs relating to agriculture, are easily understood. Anyone not knowing anything about it would think just as he does.

Mr. STIRLING: What progress has been made in the control of the codling moth? I understand that in British Columbia that control is shared between the provincial and the Dominion governments; is that the case in the other provinces?

Mr. MOTHERWELL: We have been fumigating cars, banding trees, spraying, and taking other steps to circumscribe the activities of this moth. Every country is protecting itself against the invasion of these noxious insects, therefore it behooves us to be alert in their suppression, and, if possible, their extermination. As to the sharing of the control, that depends on the province. Some provinces will take hold of it and others will not. In every province, however, steps are being taken to eradicate this pest.

Item agreed to.

Publications, $18,500.

Mr. CALDWELL: I think the department might well cut down on some of these publications. I know they send out a list so that persons interested may indicate the publications they desire, and that is a wise thing to do, but I cannot help thinking that we are spending too much money on publications that are seldom or never read.

Mr. MOTHERWELL: Formerly there was an indiscriminate distribution of this kind of literature, but that is not done now. The publications are sent out only on application.

Mr. CALDWELL: Are there no publications sent out by the Agriculture department except on request?

Mr. MOTHERWELL: None except Seasonable Hints. We have been requested to make a more general distribution of the others, but we have adhered to the policy of sending out our publications only on application. If we could get one hundred per cent value out of all our literature that would be an end highly to be desired, but by the method we have adopted, I think we are getting as near that as we can hope to attain. I know that a great deal of our educational work does not come home to the men who need it most, but that applies to all walks of life. The gospel of good farming is just the same in that respect as the gospel of salvation, which has been preached for thousands of years and yet has not reached some people.

Mr. MacLEAN (Prince): Is any information given in these publications regarding experiments with sugar beets such as have been carried on at Winnipeg by this new firm which has offered to distribute seed from Germany for the sugar beet industry? Can any of that seed be obtained?

Mr. MOTHERWELL: I remember having some correspondence with my colleague the Minister of National Defence with regard to certain clubs organized in the Maritime provinces, to whose members the Central farm distributes beet seed. The request was made that these clubs be increased in membership from a possible fifty to a possible one hundred.

Mr. MacLEAN (Prince): Would that be the same seed as is used in Germany?

Mr. MOTHERWELL: No. This is Ontario grown seed. In addition to that we analyse the beets, so as to keep them in the direction of growing the highest quality of beets.

Mr. MacLEAN (Prince): I suppose the minister is aware that this company in Winnipeg is distributing beet seed.

Mr. MOTHERWELL: That is a private company.

Mr. MacLEAN (Prince): Is it distributing a different class of seed altogether?

Mr. MOTHERWELL: We distribute Ontario grown seed, but, of course, originally most of this seed was imported. I think some of the Winnipeg seed is imported.

Mr. MacLEAN (Prince): Does the minister think the beets test out as good for sugar?

Mr. MOTHERWELL: The Ontario grown seed produces a higher testing beet than the seed we have been importing.

Mr. CALDWELL: Due to the mild criticism that I offered of this vote a few minutes ago, I do want after looking the matter over, to commend the minister for having cut this down $15,000 from last year. How much was spent under this head last year, and was the reduction due to the fact that you were not spending as much, or because you were cutting down the publications?

Mr. MOTHERWELL: This vote is for distribution, and the cost is borne by the respective branches.

Mr. CALDWELL: This does not include the printing?

Mr. MOTHERWELL: No. The reduction is due to the fact that we have no longer got the expense of distributing the Agricultural Gazette. Formerly that was not only distributed but printed out of this vote.

Mr. CALDWELL: Am I to understand that it costs $18,500 merely to distribute these pamphlets? Is that postage, or are they delivered by special messenger, or how?

Mr. MOTHERWELL: I will give my hon. friend the cost of the different items. First, there is the cost of advertising our publications. Sometimes when we have anything new to send out we put a very small ad in our farm papers, and that results in requests for the publication. Envelopes alone cost $8,000, labour $3,000, equipment and maintenance $2,000, postage, express and cartage $2,000, printing and stationary $2,500.

Mr. STEVENS: How many envelopes would there be in that $8,000? I do not want to be picayune, but $8,000 is an enormous sum for cheap manilla envelopes.

Mr. MOTHERWELL: I understand this would cover several millions of envelopes.

Mr. CALDWELL: Are envelopes used in practically every case? The Department of Labour have adopted, not an envelope, but the publication is rolled up and pasted at one end with a little strip of mucilage. That would cost I should think one-quarter of what the envelopes would cost.

Mr. MOTHERWELL: We have not used that.

Mr. STANSELL: To what extent are applications being made for these publications, in Ontario, for instance?

Mr. MOTHERWELL: I understand that in Ontario the applications will run up to about half a million. It depends upon how much we advertise. If we put a small notice in the farm press indicating a number of bulletins that are available, we generally find a run on those afterwards. We have not very much money for advertising, and when you limit the advertising, the demand is less. If we spent more in advertising, the chances are the demand would be greater; so it just depends what you are seeking. I do not think we have done much advertising of any kind lately for the simple reason that we have not the money.

Mr. STIRLING: Over and above that, is there a mailing list for all Canada to whom you send each one of these publications?

Mr. MOTHERWELL: There is no recognized mailing list except for the publication we call Seasonable Hints, but if a request comes in for the bulletins that are issued on vegetables, gardening, or anything like that, these would be sent. But there is no regular mailing list except for Seasonable Hints.

Mr. CALDWELL: There are lists of the department's publications sent out to individuals, and they are asked to mark an X opposite the publications they wish mailed to them during the year. You must have some mailing list for taking care of these requests.

Mr. MOTHERWELL: They go out in the same envelope with Seasonable Hints.

Mr. DOUCET: Do I understand that $18,500 is for the purpose of distribution only, or does it include also the cost of printing?

Mr. MOTHERWELL: Just for distribution.

Mr. DOUCET: According to the Auditor General's report for the fiscal year ending March 31, 1924, page 879, the disbursements on publications amount to $28,500. Of that amount the King's Printer, for printing, receives $17,235.97. Apparently 60 per cent of the vote went for printing. Now if the minister claims, as he does claim, that the item of $18,500 does not include printing, surely there must be an excess in expenditure in the other items as compared with the fiscal year 1923-1924.

Mr. MOTHERWELL: It is obvious we could not get those into the public accounts of a year or two ago. What other year is my hon. friend referring to? Last year? Well, the publication of the Agricultural Gazette, as intimated a moment ago, was charged to this account in addition to the distribution. Now we are not publishing it, and next year's vote will not show any item in that regard.

Mr. CALDWELL: Under what vote will the publication of the Agricultural Gazette appear this year?

Mr. MOTHERWELL: We are not publishing it.

Mr. CALDWELL: You are not publishing it?

Mr. MOTHERWELL: No it has been dropped.

Mr. DOUCET: If I understand the minister correctly he says that the elimination of the publication of the Agricultural Gazette is responsible for the reduction of this vote; but in the Auditor General's report for 1923-24 the principal items, apart from the printing of the Agricultural Gazette, are stationery,

$4,000 odd and wages and labour $4,000 odd, amounting to between eight and nine thousand dollars. The others are all insignificant items. Now this vote is double that amount, and surely it cannot be for distribution purposes only. A short time ago the minister said that certain items, I did not quite catch the amount, were to cover postage and express charges. I fail to see why the department has to pay postage on periodicals or pamphlets that are mailed out. They certainly must go through the mails free as all publication emanating from the departments do.

The CHAIRMAN (Mr. Fortier): Shall the item carry?

Mr. DOUCET: Do you not think, Mr. Chairman, I am entitled to a reply to the arguments I have advanced. There must be something else besides the cost of distribution to account for a vote of $18,500, when in the last fiscal year of which we have a record all the various items, apart from printing, only amount to something like $8,000.

Mr. MOTHERWELL: I can only go over my explanation again if that is what my hon. friend wants. Perhaps the hon. gentleman was not in when I read the itemized account.

Mr. DOUCET: I was in my seat.

Mr. MOTHERWELL: Then what my hon. friend wants now is to reconcile the difference between this and what appears to be the expenditure for another year. I do not think I am called upon to reconcile the difference. It will be accounted for next year. The activities of the year to which my hon. friend alludes were based upon another vote altogether. One large item of expenditure was the Agricultural Gazette which was a very expensive publication. It was printed on very high-class paper and, if I remember rightly, had an expensive cover. I understand from my deputy that it cost about $15,000; I do not know if that includes the cost of distribution or not. Yes, it does include the cost of distribution. So there you have $15,000. That one item alone plus the $18,000 would make $33,500. I do not know what figures my hon. friend wants to harmonize but assuming that I am correct the total of the two amounts would be $33,500.

Mr. DOUCET: I think I made it plain that in the year 1923-24 when the department was publishing or having published the Agricultural Gazette and for which an item appears in the Auditor General's report of $17,235 for the King's printer—

Mr. MOTHERWELL: For the Gazette alone?

Mr. DOUCET: For the Gazette mostly.

Mr. MOTHERWELL: It costs a little more than I said.

Mr. DOUCET: —the balance of the vote amounted to less than $10,000. Now, with lessened activities for the year 1925-26 there being a decrease in expenditure of $103,500, we are called upon to vote $10,000 more for distribution and yet the publication of the Gazette has been eliminated. If the minister wants to reconcile the figures he must show wherein it costs $10,000 more to distribute to-day the publications of his department when the Agricultural Gazette is not being circulated and the activities of the whole department are less.

Mr. MOTHERWELL: You want to know what we are doing with the $17,000 we are saving, is that it?

Mr. DOUCET: No.

Mr. MOTHERWELL: That is what I understand. We are not publishing the Gazette now. The Gazette cost $17,000 and the amount must be reduced by that sum.

Mr. DOUCET: I will try and make it plain this time.

Mr. MOTHERWELL: If my hon. friend will just sit down a moment I will explain. We are sending out additional literature to the Wembley exhibition which is going to continue for another year. Last year our vote for distribution was increased because of the extra distribution that was necessary by reason of the Wembley exhibition. This year the distribution of publications at Wembley will continue in greater degree so that there will be that much more for this particular purpose, although the publication of the Gazette has ceased. In other words the fact that there is more business accounts for it.

Mr. DOUCET: That is quite right. Had the minister given the information, when he was first asked, that more publications were being sent to the Wembley exhibition we would have understood why the vote was increased. But to my mind the amount is still too high because when the Gazette was being circulated the distribution cost less than $8,000, and to-day with no Gazette circulated the cost of the distribution of publications amounts to $18,000.

Mr. MOTHERWELL: Well it is all right now anyway.

Item agreed to.

International Institute of Agriculture, $13,500.

Mr. STEVENS: Is this vote for the International Institute at Rome

Mr. MOTHERWELL: Yes. The committee will remember that last year I promised that I would endeavour to consolidate this branch with the main department under the assistant deputy minister. That has been done and it has resulted not only in a small saving in connection with this item but also a saving under the heading of civil government. By that consolidation we have saved one salary and a little bit more, but work will be carried on just as before.

Mr. EVANS: I should like to ask if this vote represents a grant to that institution, or is it intended to cover the expenses of a delegate to Rome?

Mr. MOTHERWELL: Part of it is for the library in the west block. We have a very valuable and a very complete library there. Part is for the usual cost of administration in the way of maintenance and supplies, and the balance is for the maintenance of the offices in Rome where a permanent staff is kept towards the expense of which we
11 p.m. contribute a proportionate share in common with some thirty other countries interested in the same work. Here is how the total of $13,500 is made up: Contribution made towards the maintenance of the International Institute at Rome, $8,900; maintenance of library, binding, stationery, subscriptions, and so forth in Ottawa, $4,600. The cost of the offices at Rome, like every other institution has gone up, as the saying is, since the war, and the result is that we find this part of the expenditure continually growing. On the other hand we have effected a reduction in expenditure through the consolidation which I mentioned.

Mr. CALDWELL: What other countries contribute to the upkeep of this institution?

Mr. MOTHERWELL: Nearly every civilized country in Europe that is in the League of Nations.

Mr. CALDWELL: What do we get in return for this outlay?

Mr. MOTHERWELL: We do not get some of the things we thought we were going to get, but on the other hand we get some things more than we bargained for. For instance, we get a little more expense for maintaining the offices. But if you are going to work in conjunction with the nations of the world, whether it be in the League of Nations or in this kind of a league, some expenditure is necessary.

Mr. CALDWELL: I realize that you cannot put down in dollars and cents what you get in return; but what service do we get from this institute, and does the minister consider this is money well spent?

Mr. MOTHERWELL: In a few weeks we shall get the complete acreage of the world and statistics of the various cereals. That is compiled and centralized there and it is redistributed throughout the world. Every civilized country is in the League of Nations now and some that are not in the League of Nations are in this. David Lubin was the enthusiast that travelled all over the world with the idea in mind of organizing this institute. I had the pleasure of meeting him, and I was inspired to some extent by his vision of what could be accomplished. In the fall of the year it is worth while knowing where Canada stands in relation to other countries in the matter of cereal production. We discovered first through that source what our status was. We discovered two years ago authentically that we were the largest wheat-exporting country in the world. Statistics are sometimes not as reliable as they might be, but this is a really authentic source of statistics. I have never heard of it being disputed, and I consider for the amount of money we are spending, we get a reasonably good service. I understand that sixty-two countries participate in this activity.

Mr. STEVENS: I am going to suggest to the minister that we have been very patient and, I think, very moderate with him to-night. The hour is getting late. We sat very late last night, and I think we have sat very late every night this week except Wednesday when we did not sit at night. I would suggest that we might adjourn at this late hour.

Mr. MOTHERWELL: I feel so good natured to-night that I am ready to submit to anything that is requested.

Mr. MANION: We have submitted to a good deal.

Mr. MOTHERWELL: Let us finish this item.

Mr. CALDWELL: I have followed the work of the International Institute of Agriculture with a good deal of interest, and I am not as optimistic as to the value we are getting to-day as I was some years ago. For instance, I think the statistics we get are so

old before we get them they are not of very much benefit to the producer in Canada.

Mr. MOTHERWELL: We get them very promptly.

Mr. CALDWELL: I am quite sure of this statement, that there is a possibility that they are of more benefit to the speculator, let us say in wheat or commodities of that kind, than they are to the producer.

Mr. MOTHERWELL: It works both ways.

Mr. CALDWELL: If this information were made available to the producer so that he might know whether there was a shortage of cereals in the world supply or not, he would know better whether he should sell at the price offered or not. If some method were devised of making this more readily available to the producer or if the information were made available earlier in the season, it might be of more benefit to him. I am not, however, opposing the vote. This institute performs a useful function.

Mr. MOTHERWELL: My hon. friend has a popular misconception of the uses to which it may be put. When the statistics indicate a very large crop, that naturally has the effect of lowering the price. An abundance all over means as a rule lower prices. But when you get the other information, as we did last year, from a reliable source that the crop is quite short, this has the other effect. Up goes the price. The question is one of getting the information in a reliable fashion in this way or in an unreliable way through any other medium. This goes through the press in the regular way.

Mr. CALDWELL: I have in mind something that happened to us in the potato-growing section of New Brunswick in 1916, I think it was. It was when the Canada Food board was functioning. I will agree at once with the minister that the reliability of these statistics is all important. In that year a report was issued that there were to be 28,000,000 bushels of potatoes for export in Canada. Potatoes were selling in New Brunswick at $2 a barrel out in the field at that time which was in October. We had never exported more than 4,000,000 bushels prior to that. We were selling in the United States and Cuba, the United States market not being closed then by the Fordney duties. This had such a disturbing effect, that the wholesalers in the countries in which we were selling, believing we had such an abnormal crop for export, immediately dropped the price. They would not buy except for present requirements.

Mr. MOTHERWELL: It was not the institute that got out that report.

Mr. CALDWELL: No. The Canada Food board. I am speaking of the reliability of the statistics. Immediately after the report was issued, the price dropped to $1.50 a barrel, and within three weeks it went down to 80 cents and it continued so during the whole winter. Instead of exporting 28,000,000 bushels, we exported the usual quantity of 4,000,000 bushels, and there was a shortage in other places with the result that in April, after the New Brunswick crop was all sold, the price rose to as high as $7 a barrel because there were none to be had. That year I claim—and I have made this statement more than once in this House—that they beat the potato producers in New Brunswick out of a profitable price for their potatoes. It cost about $1.50 a barrel to grow them in New Brunswick and the price was 80 cents a barrel. If that report had not been issued, potatoes would have been selling at $2 a barrel. Our supply ran short in March and we did not have enough to supply the market during the shortage in other countries.

Mr. MOTHERWELL: Is that not an argument in favour of getting information through a really reliable source?

Mr. CALDWELL: Yes. But I think we should be absolutely sure of the reliability before the statistics are published. That report did us more damage in New Brunswick than we have recovered from since.

Mr. PRITCHARD: Has this item any connection with a vote passed this afternoon in regard to the grant to the Imperial Institute? That was in the estimates of the Minister of the Interior (Mr. Stewart).

Mr. MOTHERWELL: It has no connection. Each department runs its own show.

Mr. SPENCER: In the co-ordinating of these two departments, how many employees has the minister been able to let out?

Mr. MOTHERWELL: Three altogether, the director and two of the staff. We are retaining the librarian and three others, and the work is all under the assistant deputy minister.

Mr. SPENCER: Was the minister able by this to let out the institute commissioner?

Mr. MOTHERWELL: Yes, but that comes out of civil government. It does not show in this reduction.

Mr. SPENCER: Was he giving satisfaction, or was he let out because he was not giving satisfaction?

Mr. MOTHERWELL: I could give two or three reasons that would all be true, but the principal reason is that there was never any necessity for a branch there at all as far as I could see. As in some other cases, it was established for the purpose of giving someone a position. There was no justification for a separate branch.

Mr. CALDWELL: That is reason enough.

Mr. MOTHERWELL: I promised the committee last year that I would try to consolidate the work, and this I am endeavouring to do all along the line.

Mr. KENNEDY (Edmonton): Is not the institute largely a statistical organization?

Mr. MOTHERWELL: Yes.

Mr. KENNEDY (Edmonton): Why should it not be linked up with the Bureau of Statistics? It would seem to be a wise thing to have all the statistical branches of the government together.

Mr. MOTHERWELL: I discussed the matter with the Minister of Trade and Commerce (Mr. Low), but if I handed the work over to him it would inflate his expenses. It was discussed just before we were preparing the estimates and we decided to let it stay as it was. Of course, all information in regard to agriculture as well as other industries, so far as exports are concerned, is compiled through the Department of Trade and Commerce. That is where the director of this institute gets his information for transmission to Rome.

Mr. SPENCER: Did not the institute publish a Bulletin of Foreign Intelligence, advertising what was going on through the institute at Rome? If so, is that still being sent out?

Mr. MOTHERWELL: We ourselves do not publish any bulletin of this description; it is published at the head office at Rome and distributed throughout Canada. That is the part of the service they give in return for the money they get.

Mr. SPENCER: I was informed that formerly 13,000 copies were sent out. Has that number been reduced?

Mr. MOTHERWELL: There was a larger number previously.

[Mr. Motherwell.]

Mr. SPENCER: Is it the policy of the department to cut down this issue?

Mr. MOTHERWELL: We do not publish anything ourselves, as I say; it is the product of the office in Rome. We have not sent any representatives to the annual gathering these last two years, but when we do go there, if we think they are sending out too many copies, we can make representations to that effect. It has been considerably reduced.

Mr. SPENCER: Do I understand that the central office at Rome sends out these bulletins at the pleasure of the department and as many copies as the department wishes, and charges them to the department?

Mr. MOTHERWELL: An allocation is made to the sixty odd countries associated in proportion to the grant made, and the amount has been reduced of recent years to our requirement.

Item agreed to.

Progress reported.

EXPORT OF POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): I promised the leader of the opposition (Mr. Meighen) that I would lay on the table of the House, before adjournment to-night, the correspondence which he requested last night and of which he spoke at three o'clock this afternoon. I have here a copy of all correspondence, relating to the issue of a license to the Bridge River Power Company, Limited, for the fiscal year ending March 31, 1925. This correspondence was asked for by the hon. member for Vancouver Centre (Mr. Stevens). I came back to the House to-night ready to put on the table all the correspondence on the matter, and I have been trying to get in touch with my colleagues, the Minister of Railways (Mr. Graham) and the Minister of Trade and Commerce (Mr. Low), who have further correspondence in relation to it, but unfortunately I have not been able to get in touch with them in the last few minutes. I will undertake to see that the correspondence is tabled the first thing on Monday and that we do not go on with the discussion of this matter until there has been ample opportunity for hon. gentlemen to read it.

Mr. STEVENS: That will be satisfactory.

On motion of Mr. Mackenzie King the House adjourned at 11.20 p.m.

Monday, May 18, 1925

The House met at three o'clock.

EXPORT OF POWER

Hon. T. A. LOW (Minister of Trade and Commerce): I lay on the table of the House correspondence in connection with the application of the Bridge River Power Company, dated October 5, 1920, for the right to export power for a term of twenty-five years.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): As promised on Friday last, I lay on the table of the House certain documents in connection with Carillon dam, copy of lease of 1908, of lease of 1911, and of lease of December, 1921, with renewals thereof and applications for renewals.

CANADA—FINLAND TREATY OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance): On Thursday last I promised the leader of the opposition (Mr. Meighen) to lay on the table certain correspondence regarding the trade treaty with Finland and also a statement of imports from the Netherlands to Canada. I now do so.

DEATH OF MR. T. H. THOMPSON, M.P.

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is only a fortnight since mention was made in this House of the death at Ottawa of one of its hon. members from the province of Quebec. To-day it is our sad duty to record the loss of another hon. member, Mr. Thomas Henry Thompson, member for East Hastings in the province of Ontario.

Mr. Thompson's death occurred with tragic suddenness. Though not in the best of health, he was to all appearances hale and hearty when the House adjourned over the week end on Friday last. On Saturday morning, due, it is thought, to over-exertion, he suffered a heart strain from which he rallied for a brief time, but within twenty-four hours he had passed away.

Mr. Thompson was in his fifty-ninth year. He was first elected a member of parliament in 1917, at which time he was returned as the Conservative member for the constituency of East Hastings. He was re-elected in the general elections of 1921. Prior to his entry into federal politics he had taken an active part in the municipal affairs of his native township and county. He was reeve of Madoc village on more than one occasion, and for five years was member of the Hastings county council. In 1913 he was chosen warden of the county.

His business and commercial interests, especially as a manufacturer and buyer of cheese, gave Mr. Thompson a special knowledge of many branches of agriculture. For ten years he was a director of the Eastern Ontario Dairymen's Association and for three years he was president of the Madoc Agricultural Society. The knowledge thus acquired he turned to the advantage of all concerned, as occasion arose for the consideration of agricultural problems in this House. Mr. Thompson did not take much part in debate. Like the hon. member for Compton who predeceased him, he was one of those members who make their presence felt by the faithfulness of their attendance in the House but whose influence is not less great because so largely silent and unobtrusive.

Hon. members on this side will join with me in extending to my right hon. friend (Mr. Meighen) and those who sit about him, our sympathy in the loss of one who was a highly respected member of the Conservative party. May I ask, Mr. Speaker, that irrespective of party, you will convey to Mrs. Thompson and her daughters, on our behalf, expression of the sympathy felt for them in their great bereavement by all hon. members of this House.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It was a distressing shock to myself to hear yesterday morning by telephone of the death of one of our colleagues in this group in the House, all the more so because I had personally no intimation that Mr. Thompson suffered from any disability. His closer companions amongst us were aware that for some time he had been afflicted, as was thought in a minor way, with weakness of the heart, but unaccompanied, so far as anyone knew, with any serious apprehensions as to his life. The suddenness of it all was the greater because within a few hours before, he had mingled with his fellow-members here, apparently in the best of spirits and of health.

The Prime Minister has reviewed Mr. Thompson's association with this parliament and, as well, has made mention of those things in which he had engaged prior to his entry here. Any office of civic honour that he did not fill was not within the reach of the man. He appeared to have freely gained and very long sustained the unbounded confidence of his fellow-citizens; and if a knowledge of the affairs of a constituency, an intimate acquaintance with all its activities, close, indeed familiar, information as to each and all of those whom he represented, constitute the best attributes and qualifications for a member of parliament, Mr. Thompson would in-

deed be hard to excel. There was nothing of value to the people of his riding that he did not understand as well or better than they, and he seemed to consider it his one duty here to reflect the mind of his people on all questions of public import. Nor was there anything that his industry did not apply itself to that he felt would be of value to those whom it was his privilege to serve. He enjoyed, as well, and of us still more emphatically, the affection of his fellow-members of parliament. Modest in demeanour, as modest as his career was creditable to himself, unobtrusive on the floor of the House, but ever at hand to serve, he gained the esteem of and finally became beloved by all.

It is with very, very deep feeling indeed, that I ask that we all do join in the message which you have been kindly deputed to send to his widow and daughters.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, on behalf of the members who sit in this part of the House, may I add a few words to what has been said? The death of Mr. Thompson came with startling suddenness; he had done his day's work and has been called home—a striking reminder to all of us of the uncertainty of human life. As has been said, Mr. Thompson was a man who took an active interest in public life and had rendered great service to his community before he came to this House. I was not intimately acquainted with him, but judging from what I saw and what I know, I think that to know him was to love him. I am sure he was held in the highest esteem and respect by those who were intimately associated with him. Undoubtedly he was respected by all the members of this House. I hope, Sir, that you will convey to his wife and daughters our sincere sympathy in the great loss which they have sustained. May his memory be to them a comfort and a joy, that he was a good father, a good husband, and a good public servant.

Mr. DEPUTY SPEAKER: As requested, I shall immediately transmit to the bereaved widow and daughters the expressions of sympathy which have been extended to them by the hon. gentlemen who have expressed their tributes of esteem and respect for the deceased.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

SOLDIER SETTLEMENT—INSURANCE

*Mr. SPENCER:

1. During the years 1922, 1923 and 1924, what did the Soldier Settlement Board pay in annual protection with regard to insurance in Alberta on (a) buildings on lands under contract to settlers; (b) on buildings situated on lands which have reverted to the board?

2. What was the percentage of repayments by settlers during the years above mentioned, where the insurance has been paid by the board?

Hon. Mr. ROBB: Mr. Speaker, I understand that the hon. gentleman has been in communication with his friends who desired this information, with a view to having the question modified. Perhaps he would be prepared to drop this question, and place a modified form of it on the order paper.

Mr. DEPUTY SPEAKER: Dropped.

SOLDIER SETTLEMENT—SADDLE LAKE

Mr. KELLNER:

1. Did the Soldier Settlement Board pay to the Department of Indian Affairs the sum of some $43,000 as an initial payment on the purchase of some 18,000 acres of land comprising a portion of the Saddle Lake reserve?

2. If so, by what authority was this done?

Hon. Mr. ROBB:

1. Yes.

2. Section 7, 10, Soldier Settlement Act, Chapter 71, 9-10 George V.

KEEFER PROPERTY, PORT ARTHUR

Mr. CARRUTHERS:

1. Was a building or buildings in Port Arthur the property of Mr. Francis H. Keefer, M.L.A., of that city, used by the government for any purpose during or after the late war?

2. If so, on what terms did the government enjoy the use of such?

3. What disbursements were made by the government in this connection, either by way of rentals, improvements, taxes, or other charges?

Hon. Mr. COPP:

1. Yes. It was used for convalescent hospital from March, 1916, until 31st May, 1920.

2. Rent free. Insurance premiums paid by the government $590.68.

3. Alteration to heating plant, electric services, plumbing, fuel, light, lumber and kitchen appliances, $1,386.72.

CIVIL SERVICE EXAMINATIONS—MONTREAL DISTRICT

Mr. MERCIER:

1. Is the government aware that the examinations of the Civil Service Commission for the Montreal district are held exclusively at McGill University, in the city of Montreal?

2. Is the government aware that the candidates who present themselves at each of the said examinations are in a proportion of eighty-five per cent French Canadians?

3. Would it not be advisable, under such circumstances, that said examination be equally held at the Montreal University, or at least alternately at McGill University and at the Montreal University?

Hon. Mr. COPP:

1. The Civil Service examinations have been held at McGill University, Montreal, for the last sixteen years, with joint presiding examiners, French and English. Arrangements have been made recently to hold examinations for French speaking candidates at the University of Montreal.

2. No specific information.

3. Answered by No. 1.

PROVINCIAL CONFERENCE—THE SENATE

Right Hon. Mr. MEIGHEN:

1. Does the government intend to recommend to the coming provincial conference to be called to consider changes in the British North America Act an amendment curtailing the powers of the Canadian Senate in the manner stated to the House of Commons by the Prime Minister on the 19th of July, 1924?

2. What other amendments, if any, does the government propose to submit to this coming conference?

Right Hon. Mr. MACKENZIE KING: Mr. Speaker, the government has not yet considered the agenda of the proposed conference with the provinces, but will do so in due course.

Mr. MEIGHEN: Will the House be given an opportunity of discussing any features of the agenda that hon. members might desire to discuss, that opportunity necessarily being based on the announcement of what the government's proposals are?

Mr. MACKENZIE KING: To be quite frank with my right hon. friend, I doubt if between now and the close of the session the government will have time to give that careful consideration which should be given to any such agenda. We have a good deal of business ahead of us, and I think we will have to wait until the session is over before we will be able to devote the necessary time to the drawing up of this agenda.

Mr. MEIGHEN: In that relation, may I suggest that it would be wise to postpone the conference? I would not think the govovernment would contemplate placing this country, as represented by the government, on record as requesting amendments to the constitution without the opportunity of previous discussion of those amendments in this House.

Mr. MACKENZIE KING: I assume, of course, that the government will not in any way commit this parliament at that conference, but will see that whatever recommendations are made by the conference will be subject to further consideration by the House.

R. H. GALE

Mr. BLACK (Yukon):

1. Did R. H. Gale of Vancouver interview the Right Honourable the Prime Minister suggesting that item for $2,000,000 for construction of a new grain elevator at Vancouver, be struck out of the proposed budget of expenditure for the Vancouver Board of Harbour Commissioners?

2. Did R. H. Gale of Vancouver interview the Minister of Public Works, Honourable Dr. King, suggesting that item for $2,000,000 for construction of a new grain elevator at Vancouver, be struck out of the proposed budget of expenditure for the Vancouver Board of Harbour Commissioners?

3. Dir R. H. Gale of Vancouver interview the Minister of Marine, Honourable P. J. Cardin, suggesting that item for $2,000,000 for construction of a new grain elevator at Vancouver be struck out of the proposed budget of expenditure for the Vancouver Board of Harbour Commissioners?

4. Did the Prime Minister, or Minister of Marine, or any other member of the government, invite the said R. H. Gale to assist in answering questions submitted in the House of Commons by Mr. Geo. Black, M.P., of the Yukon?

5. Is the government aware that sworn testimony was given in the Supreme Court in Vancouver stating that said R. H. Gale had advised the Prime Minister, Minister of Public Works and Minister of Marine to strike said $2,000,000 item from Vancouver Harbour Board estimates?

6. If said statement is not in accordance with the facts, will the government cause necessary inquiries to be made, and public retraction made if said statements are false?

7. If said statements are correct, what is the explanation of the government for accepting advice of said R. H. Gale?

8. Did the said R. H. Gale secure a very valuable foreshore lease from the Vancouver Harbour Commissioners at a very low rental, and sell the same to a grain company?

9. Is the government aware that at the said trial, it is alleged said R. H. Gale received 30 per cent of a two million dollar company for the assigning of the said lease?

10. Did the granting of the said lease to the said R. H. Gale receive the approval of the Minister of Marine, or was it approved of by order in council? If so on what date?

Hon. Mr. CARDIN:

1, 2 and 3. There is no public record of any interview but the recollection of the ministers referred to is that Mr. R. H. Gale discussed with them a proposal whereby additional elevator accommodation could be provided at the port of Vancouver by private capital, provided the Vancouver Harbour Commission would not insist on the construction and operation of all the elevator accommodation that would become necessary at that port. The government was at that time and is now of the opinion that if private capital should become available for the construction and operation of elevators, the public interest would not suffer by abstention by the Vancouver Harbour Commission from the construction of further elevator accommodation, at least until such time as it becomes evident that

necessity therefor has arisen. Negotiations carried on by Mr. R. H. Gale resulted in the construction by private capital of an elevator at Vancouver of a capacity of approximately 2,000,000 bushels and to that extent the government has been spared the necessity of providing elevator accommodation at that port out of public funds.

4. No.
5. No.
6. Answered by No. 5.
7. Answered by No. 5.
8. No.
9. No.
10. Answered by No. 8.

SASKATCHEWAN—CUSTOMS PORTS OF ENTRY

Mr. KNOX:

1. How many ports of entry are in the province of Saskatchewan?
2. Where are these ports located?
3. What was the amount of customs duty collected by each during each of the last five fiscal years?

Hon. Mr. CARDIN:

1. 32.
2 and 3.

——	1920–21	1921–22	1922–23	1923–24	1924–25
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Moose Jaw	314,575 30	148,637 28	154,726 17	158,332 02	181,100 22
Big Muddy	4,887 45	1,861 61	1,294 38	1,810 56	1,550 49
Gull Lake	3,358 50	2,387 87	2,628 61	3,052 53	2,631 04
Maple Creek	15,787 59	1,567 99	2,072 02	972 24	1,413 87
Shaunavon	Nil	Nil	Nil	4,275 54	8,387 28
Swift Current	67,495 32	16,803 42	17,363 46	19,354 46	22,184 50
West Poplar River	3,520 05	2,135 93	1,092 91	1,956 97	2,233 19
Weyburn	55,410 04	46,027 10	22,542 15	19,798 32	15,079 57
Willow Creek	3,505 51	436 83	394 57	2,148 63	2,120 24
East Poplar River	1,062 15	847 26	2,155 84	4,061 81	3,622 39
Total	496,601 91	220,705 29	204,270 11	215,763 08	240,322 79
North Portal	15,391 42	8,412 98	18,588 73	10,776 18	13,154 13
Estevan	55,172 72	27,258 50	13,209 71	19,313 08	9,852 27
Marienthal	1,585 44	1,447 81	1,693 94	1,632 43	1,803 44
Total	72,149 58	37,119 29	33,492 38	31,721 69	24,809 84
Prince Albert	28,878 17	21,374 22	29,213 42	29,933 33	26,042 79
Humboldt	9,080 23	5,249 04	6,650 31	3,732 55	4,287 60
Melfort	10,402 80	5,322 10	4,933 27	5,928 39	4,444 78
Rosthern	1,154 07	972 15	647 30	1,016 19	1,324 92
Total	49,515 27	32,917 51	41,444 30	40,610 46	36,100 09
Regina	1,485,919 11	846,255 50	684,225 92	741,483 72	558,258 65
Moosomin	25,971 61	2,246 83	5,027 40	1,729 40	1,157 56
Northgate	7,422 06	17,035 32	3,533 34	3,282 55	6,369 14
Yorkton	663,988 33	82,830 34	24,150 42	47,378 23	14,309 52
Arcola	80 62	60 89	151 45	196 32	183 62
Broadview	69 23	66 98	36 45	53 55	51 07
Elmore	2,879 50	1,517 11	1 40	652 76	1,587 71
Fort Qu'Appelle	214 47	249 28	308 19	308 47	338 88
Grenfell	79 52	48 89	97 75	79 26	68 77
Indian Head	173 82	191 09	179 78	320 45	295 70
Qu'Appelle	126 46	110 64	95 35	110 21	102 56
Wapella	38 96	80 28	46 12	39 80	33 58
Wolseley	36 11	50 51	126 98	111 54	105 41
Total	2,186,999 80	950,743 66	717,980 55	795,746 26	582,862 17
Saskatoon	661,115 18	335,916 10	349,949 10	412,932 48	353,725 02
North Battleford	39,454 61	16,365 76	14,233 50	14,931 01	11,786 14
Total	700,569 79	352,281 86	364,182 60	427,863 49	365,511 16

BRITISH PREFERENCE ON SUGAR

Mr. McTAGGART:

On what date and under what authority was the British preference on sugar withdrawn?

Hon. Mr. CARDIN: British preference on sugar has not been withdrawn.

CANADIAN NATIONAL RAILWAYS—SALARIES $10,000 AND OVER

*Mr. DOUCET:

1. How many officials of the Canadian National Railways receive as remuneration $10,000 or more per year?
2. What is the total amount paid by the Canadian National Railways, in salaries or other remunerations which amounted in each case to $10,000 or more per year?

Hon. Mr. GRAHAM: Mr. Speaker, I think my hon. friend (Mr. Doucet) can hardly be serious in pressing this same question again. Already this session several questions along the same lines have been asked, and in the interests of the Canadian National Railway Board, and on their advice, I have declined to answer them.

On February 23 my hon. friend himself asked these questions:

1. How many officials of the Canadian National Railways are in receipt of a salary of $10,000 and over per annum?
2. What are their names?

I replied:

This is a question similar to others asked and which, in the interest of the Canadian National Railway Board, it would not be in the interest of the railway to make public.

I like to give all the information asked for, but this is a matter of business in which the people of Canada, through the Canadian National Railway Board, are endeavouring to carry on a commercial enterprise under great difficulties. The question refers absolutely to operation, and I think we have pretty well established the principle that matters affecting operation only should be very carefully handled when information is asked for. True, perhaps I fell from grace in this connection when the other day the hon. member for West York (Sir Henry Drayton) asked about salaries over $15,000. Now, to show the House that I had in mind on that occasion the idea of guarding against the appearance of just such a question as this, perhaps I may be permitted to read what I said. The question was:

1. How many officials or officers of the Canadian National system receive salaries or remuneration amounting to $15,000 per year or over?
2. What was the total amount paid by the Canadian National system for salaries or other remuneration amounting in each case to $15,000 per year or more in the year 1924?

This is the answer I gave:

Mr. Speaker, this is a peculiar question in that it seeks to have the Canadian National Railways give to the public information which no other railway company gives. It really is asking the railway owned by the government to do something that no other railway company in Canada is asked to do, or does, or, possibly, would do. I may say this, however. The management of the Canadian National Railways are very much averse to giving this information, for the reasons I have suggested. I have urged them to give it in this case, particularly as it relates only to the higher paid officials and does not include the employees in general. With that understanding—that it is not opening the door to a series of questions that will be handing the entire information as to salaries over to the public for use by other companies, information which if given would also give rise to endless jealousies in the staff itself—I am prepared to answer the question. The answer being confined within the limits I have stated, I do not think it will do any appreciable harm.

So I think the answer to the question asked to-day, Mr. Speaker, will have to be that the Canadian National Railway Board are fully convinced that it would be detrimental to the interests of the operation of the great national railway undertaking to give out such information as this, which, of course, would only lead to other questions of a similar character; and I agree with the management in that view.

Sir HENRY DRAYTON: Before my hon. friend finally disposes of the matter, I would ask him to be kind enough to read the evidence of Sir Henry Thornton on this point before the special committee of the House the other day. He was asked what would be the disadvantage of giving such information as this, and the gist of his reply—I am not giving the exact words, but I think my hon. friend will find that I am right in stating the gist of it—was that it would not be nice for employees to have their salaries talked about; it would not be nice to have it known that they were working so cheaply.

Mr. DEPUTY SPEAKER: I would draw the attention of the hon. member to the fact that this matter is not debatable.

Sir HENRY DRAYTON: I am not debating it. Of course I bow to your ruling at once, but I would point out that considerable latitude has been allowed to the minister in making an argument.

Mr. DEPUTY SPEAKER: No; he was giving certain reasons why the question should not be answered.

Sir HENRY DRAYTON: Usually a statement of reasons constitutes an argument; at least I should think so. Now, all I am asking is that the matter should not be finally de-

cided by the minister's answer to-day, and I am giving reasons why. However, if it is your view, Sir, that I may not do it, I will stop.

Mr. DEPUTY SPEAKER: That is my view.

Sir HENRY DRAYTON: I would simply draw attention to the fact that reasons were allowed to be given in the one case whereas in the present case we are not allowed to give them.

Mr. DEPUTY SPEAKER: The question is answered.

CANADIAN ENVOY TO THE UNITED STATES

Mr. JACOBS:

1. In what year was the office of Canadian envoy to the United States created?
2. Since the creation of such office, what sum or sums have been included in the estimates for the upkeep of the same?
3. Has the British government been consulted with regard to the creation of such office? If so, has it agreed to the same?
4. Is it the government's intention to fill the office? If so, when?
5. Is it in the interest of Canada that the office of envoy to the United States should be established?
6. If so, why has the appointment been delayed?

Right Hon. Mr. MACKENZIE KING: Had the hon. member for George Etienne Cartier (Mr. Jacobs) been in his seat, I would have asked him to bring these questions up when the estimates for the Department of External Affairs are under consideration. I think that would be a more appropriate time to deal with them.

Mr. DEPUTY SPEAKER: Stand, then?

Mr. MACKENZIE KING: No, I would like to have the question dropped, and if my hon. friend does not approve of that method he can reinsert it in the order paper at some other time.

Mr. DEPUTY SPEAKER: Dropped.

GRAIN SCREENINGS

Hon. Mr. STEVENS:

1. What was the yearly average price of screenings as quoted on the Winnipeg Grain Exchange for the grain years 1921, 1922, 1923 and 1924?
2. Has a standard been fixed by the Board of Grain Commissioners for screenings. If so what is the date of said order and title of the same?

Hon. Mr. LOW:

1.

	Per ton
Crop year 1920-21..	$3 50
Crop year 1921-22..	96
Crop year 1922-23..	3 06
Crop year 1923-24..	2 50

[Sir Henry Drayton.]

2.

Fort William, Ont.,
October 20th, 1924.
File 93:

To all Public Terminal
and Private Elevators:

Please be advised that the board has received from its inspection department, a report showing the result of the separation of samples of screenings taken from public terminal elevators during the month of September, 1924, and, on the recommendation of the Inspection department, the board has decided that, until further advised, when shut-out or other documents are surrendered for the delivery of screenings, such screenings should contain not less than 30 per cent of standard recleaned screenings and 5 per cent of mill oats.

Will you please be governed accordingly?

(Sgd.) F. J. RATHBONE, Secretary.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MONUMENTS AND HISTORIC SITES

Mr. BLACK (Halifax):

1. How much federal money has been expended by the National or Quebec Battlefields Commission in monuments and historic sites in Quebec?
2. How much federal money has been expended for like purposes in the Maritime provinces?
3. What monuments have been erected in the Maritime provinces, and what was their respective costs?
4. Were the character, design and inscriptions of these monuments ever submitted to any government, historical authority, or historical society, previous to erection and, if so, did they meet their commendation?

UNDELIVERED DUTIABLE PARCELS

Mr. SPENCER:

1. During the years 1923 and 1924, what was the total number and estimated value of parcels passing between Great Britain and Canada, and subject to customs duties, that failed to reach the destination to which they were addressed?
2. What are the reasons therefor?

UNOPPOSED MOTIONS FOR PAPERS

KOOTENAY FLATS RECLAMATION

Mr. HUMPHREY:

For a copy of all letters, telegrams, memoranda, orders in council, and other documents in the possession of or under the control of the government of Canada or any department thereof, of date subsequent to May 17, 1924, relating to the proposed reclamation of the area in the province of British Columbia and the state of Idaho, known as the Kootenay Flats.

STORAGE OF ALCOHOL—REGINA

Mr. McQUARRIE:

For a copy of all correspondence, papers, telegrams and other documents passing to and from the Department of Customs and Excise, relating to the storage of alcohol in bonded warehouses at Regina since 1st January, 1923.

BUSINESS OF THE HOUSE—FURTHER LEGISLATION

RAILWAY FREIGHT RATES

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I would like to bring to the

attention of the Minister of Railways and Canals (Mr. Graham) the fact that the session is advancing and that although we shortly hope to hasten prorogation we have not received intimation of the nature of the legislation to be brought down regarding railway rates. This is a subject of profound importance in which large sections of the country are deeply interested. Can the minister give us any idea when the government propose to bring this legislation before the House?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): As my hon. friend says, this is very important legislation and requires careful consideration before it is brought down. It is not being neglected, it is being studied from every angle; and I assure my hon. friend that it will be brought down in plenty of time to have a full discussion and enable the House to prorogue not later than June 15.

AUSTRALIAN TREATY

On the Orders of the Day:

Hon. R. J. MANION (Fort William and Rainy River): In view of the remark just made by the Minister of Railways (Mr. Graham) that the House hopes to prorogue by the fifteenth of June—which I rather hope, too—may I ask the Acting Minister of Finance (Mr. Robb) whether a report published the other day to the effect that Mr. Ross, who is en route to Australia, will not arrive there until about the fifteenth of June, is correct, and if so, does the government not hope to deal with the Australian treaty before prorogation?

Hon. J. A. ROBB (Acting Minister of Finance): When a man embarks on a sea voyage he never knows when he will arrive at his destination; but Mr. Ross has left for Australia.

Mr. MEIGHEN: Has he embarked yet?

Mr. ROBB: I think so.

Mr. MANION: When, in the ordinary course of events, should he arrive in Australia?

Mr. ROBB: I have not before me the time table of the ship, but I will get the information for my hon. friend.

ST. JOHN RIVER POWER

On the Orders of the Day:

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): I notice in the press that a very interesting discussion is taking place in Montreal regarding an application from the New Brunswick Hydro-Electric Commission for certain rights in connection with the St. John river as an international waterway. One feature of it struck me as very important from the point of view of the possible policy of this government. I notice that both the United States and the state of Maine are suggesting very strongly to the commission that no export tax should be imposed upon the power. I would ask the Prime Minister whether his government proposes to be heard or represented before the International Joint Commission, and what action they propose to take with regard to this demand from the United States and Maine.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The government will be careful to see that there is proper representation before the commission. I have not in my mind at the moment the particular matter to which my hon. friend refers, but I can assure him that so far as the country's interest is concerned, it will be safeguarded.

Mr. MEIGHEN: Would the Prime Minister, when he has time to review what the hon. member has called attention to, tell the House to-morrow what he considers in relation to this matter the country's interest to be?

Mr. MACKENZIE KING: I have pleasure in promising my right hon. friend that we will give the matter consideration.

FLOOD IN THE YUKON

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): I should like to ask if the government have been officially advised of a very serious and disastrous flood at Dawson in the Yukon occurring within the past few days, and whether the government has received from its agent there an application for relief or other assistance, and if so, what action it is proposed to take.

Hon. CHARLES STEWART (Minister of the Interior): Yes, we are being kept fully informed of the disaster by the Commissioner. I am not sure that Mr. Lowe has not wired, but our information is coming direct from the acting commissioner. We have instructed him to take any necessary action, and as a matter of fact, he is doing so.

Mr. MEIGHEN: What action?

Mr. STEWART (Argenteuil): Any action that would protect life and property that is in danger at the moment, so far as it is humanly possible to do so. I may say that the flood is receding. We have notice

to-day that it is down four feet from yesterday.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might add that I received a telegram from Mr. Lowe, the Speaker of the Yukon Council this morning, and I have just at this moment sent a copy of it, together with a copy of my reply, to my hon. friend. The telegram from Mr. Lowe asked that my hon. friend be favoured with a copy of his message, but I had not opportunity until this minute to send it to him.

IMMIGRATION AND COLONIZATION ACT AMENDMENT

Hon. CHARLES STEWART (Minister of the Interior) moved the third reading of Bill No. 112, to amend the Department of Immigration and Colonization Act.

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

CANADA GRAIN ACT AMENDMENT

Hon. T. A. LOW (Minister of Trade and Commerce) moved the second reading of Bill No. 113, an act respecting Grain.

Mr. STEVENS: I am not speaking to the motion, Mr. Speaker, I simply wanted to ask the minister a question. I understand it is the intention of the minister to refer this bill to the committee on Agriculture.

Mr. LOW: Yes, that is the intention.

Mr. STEVENS: Would the minister before the House passes the second reading give to the House in outline some of the major amendments which are contained in this bill? It is an enormous bill, and I do not expect the minister to go through it exhaustively, but perhaps he would give some of the major principles that have been followed in the amendments.

Mr. LOW: I do not think I can add anything to what I have already said when the resolution was up. I outlined then the major changes in the act. The hon. member has the bill before him, and I have no doubt that he has noted the changes that are proposed. Some of the old clauses have been dropped, and some new ones have been inserted, and these new ones are all marked as new. It is my intention, after the bill receives its second reading, to move that it be referred to the committee on Agriculture.

Motion agreed to and bill read the second time and referred to the committee on Agriculture and Colonization.

[Mr. C. A. Stewart.]

SUPPLY

NATIONAL DEFENCE

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

National Defence—salaries, $675,798; contingencies, $50,000.

Sir HENRY DRAYTON: Would the minister kindly tell us what the expenditure was last year?

Hon. E. M. MACDONALD (Minister of National Defence): The situation in regard to the number of employees and expenditure is this: For the year 1924-25 the number of employees was 448, and the expenditure $694,555. The estimate for the present year is 432 employees, and the expenditure $675,798, being a net decrease of 16 employees and of $18,757 in expenditure. The gross decrease for the year amounts to $34,604, but from this figure the sum of $15,847 has to be deducted for statutory increases for 233 employees, leaving a net decrease of $18,757 over last year. In the outside service, which is covered by other votes, the number of employees in the department on December 31, 1923, was 67, and the expenditure amounted to $75,511. At the end of 1924, that number had been decreased to 54, and the expenditure to $59,927, or a decrease in number of 13 and in amount of $15,584. Outside of Ottawa the number of employees—this comes under other votes—at the end of December 31, 1923, was 808, and the expenditure $829,856. At the end of 1924, the number had been decreased to 778 employees, and the expenditure to $775,511, a decrease in number of 30, and in amount of $54,345. The total reduction in number during the year was 59, and in amount $88,686. The following reductions have taken place during the last four years.

	No.	Salaries
Jan. 1, 1922, Permanent employees ..	648	$ 962,472
Jan. 1, 1922, Temporary employees ..	1,750	1,645,992
Jan. 1, 1923, Permanent employees ..	595	920,196
Jan. 1, 1923, Temporary employees ..	943	907,548
Jan. 1, 1924, Permanent employees ..	558	883,248
Jan, 1, 1924, Temporary employees ..	746	694,548
Jan. 1, 1925, Permanent employees ..	599	925,392
Jan. 1, 1925, Temporary employees ..	643	555,479

There was thus a decrease of 49 permanent employees and 1,107 temporary employees. The total number was reduced from 2,398 to 1,242, a reduction of 1,156.

Sir HENRY DRAYTON: I did not ask as to the provision that was made—we can get that by looking at the figures here; what I asked for was the amount actually paid last year in the way of salaries.

Mr. MACDONALD (Pictou): The total amount paid for salaries last year was $648,773.

Mr. HANSON: The minister says there has been a total reduction in the permanent staff in four years of 49; but I do not understand that there has been any corresponding reduction in the amount of the salaries paid. Will the minister kindly inform me what the reduction, if any, has been in the total cost of the inside and outside service in the same period of time?

Mr. MACDONALD (Pictou): The amount is $37,080.

Mr. CRERAR: According to the figures given by the minister a moment ago the total number of employees on the payroll on January 1, 1924, was 558, and on January 1, 1925, 599. Will the minister explain how this happens?

Mr. MACDONALD (Pictou): The explanation is, that in accordance with the usual practice in all the departments, under the regulations of the Civil Service Commission, a number of temporary employees have been made permanent.

Mr. HANSON: Since the work of the department has been reduced to an almost negligible quantity, is it the intention of the minister to cut down the staff still further? I am informed by militia officers that the vote passed by parliament is so small—and I think the minister will agree with the statement—that very little useful work can be done among the militia units in the Dominion. If that be the case is it not possible to reduce the cost of the overhead of this department? Personally I have a good deal of sympathy with the department, and I should like to see it placed in a position to carry on its work properly; but inasmuch as parliament in its wisdom has not seen fit to grant the minister the necessary money to do that, I think the overhead should be cut down. What are the views of the minister on the subject?

Mr. MACDONALD (Pictou): It is in the interest of the country that the department should be maintained in such a position that if the necessity arose we could adequately perform our duty to the nation. With regard to the question of expenditures for these various services, the permanent force has been decreased to a certain extent in numbers, but we are preserving it in a fairly good position. As to votes for militia services outside, these have been cut down to a very great degree. However, it has been represented to me, particularly by those who are interested in the maintenance of the artillery service throughout the country, that as a result of the economies which the department has put into effect that force has become paralysed practically, owing to its inability to obtain that training with the guns which is essential to maintain it in proper order. I have received letters from a great number of members of parliament in regard to that subject, and I would be very glad to know what the sense of the House is on that question. I am sure the House will agree that it is the duty of Canada, like every other country, to maintain its military and naval establishments in such a condition that if it became necessary for the defence of our own interests those establishments could be expanded. Just now when taxation is being imposed upon the country to a greater degree than ever before in Canadian history I am one of those who think that, while we should maintain our organization, it is not proper to ask for large amounts of money from this House or to impose further burdens upon the people. At the same time I am not one of those who think that sweet peace is likely to be permanent. My visit to Europe last year and to the League of Nations impressed me most forcibly with the fact that at any time a condition may arise in Europe which will bring about another conflagration, which, while it might probably not be as great as the unfortunate war which broke out in 1914, would nevertheless involve a great many nations. For that reason I think we should maintain our organzation.

Mr. CLARK: In view of the minister's statement that there is always a possibility of further conflagrations, not only in Europe but the world over, why is proper provision not made for the units in this country to carry on at the present time? I think there are something over 250 units which receive for their annual training and administration sums not in excess of $2,000, and are required to find out of their own pockets anywhere from $6,000 to $10,000 a year to enable them to carry on.

Mr. GARDINER: I rise to a point of order. I believe we are discussing civil government estimates, and the remarks of my hon. friend would not come under the head of civil government.

The CHAIRMAN: I draw the hon. member's attention to the fact that civil government items deal with everything relating to the policy of the department. It is the one vote that is most general in its character and under that vote practically everything relating to the department or to the policy of the department may be dealt with. It is the one item that may be called really general.

Mr. CLARK: I am not discussing at this moment the general policy. I am asking the minister, in view of his own statement of the possible dangers that confront the country, why does not the country make proper provision for the training of the units which it has authorized and which are organized in the country? Why does the country ask those commanding officers to contribute their own funds? Why will members of parliament support a policy which makes it necessary for individuals to contribute out of their own pockets four times the amount this country contributes for their training?

Mr. MACDONALD (Pictou): I am well aware of the great sacrifices which are being made from year to year by the officers of the militia forces. They carry on these organizations at great expense to themselves with very great unselfishness and patriotism. That is a matter which is not fully realized throughout the country generally. Anyone who has had to do with the administration of this department, or who knows anything about dealing with these questions, knows that my hon. friend is right in his statement as to the unselfish conduct of the militia officers. As to how much they spend in comparison with the amount of this vote I am unable to say exactly; but I know they have been very generous in helping to maintain the militia. So far as the infantry is concerned, we are able to maintain that organization, and to give a number of days' training under the vote which we have in the estimates, but I confess that I think the situation with reference to the artillery service requires consideration. That service developed tremendously during the late war, and the officers connected with the service throughout the country generally are splendid men, who took a very great interest in the extremely technical work that is necessary to be mastered in order to become efficient military officers; and the representations which have been made to me with reference to the position of that force are to the effect that, in consequence of the limited amount of money that we have been able to devote to the maintenance of the artillery, there is danger that these corps in certain portions of the country will have to disband. I am considering the question of placing in the supplementary estimates an amount to deal with this matter. However, every minister who is responsible for the administration of affairs to-day experiences great difficulty when requests come in from various portions of the country with regard to what seem to be very necessary and important matters, inasmuch as we necessarily hesitate when we come to consider the fact that all this money must be obtained by taxation; for the burden of taxation upon the people of the country to-day is very great, and every proposition must be approached with a full regard for the responsibility involved in the expenditure of every dollar of public money. That is the way I feel in regard to administering this department, although I would be anxious, if it were possible, to spend further sums.

4 p.m.

[The Chairman.[

Mr. MacLAREN: I think there are many governmental departments where economies can be carried out and less expenditure made at the present time; but I make one exception, and that is the Department of National Defence. I do not think we can reduce expenditure in this department and still maintain a reasonable efficiency. On the contrary, I think that this department has reached the stage where less money is being spent upon it than is really in the public interest. The defence of the country is just as necessary, or perhaps more necessary, than any other feature of governmental work. The minister has asked for an expression of opinion regarding the training of the artillery. We are aware that men all over the country have been urging that sufficient opportunity be given for artillerymen to receive their training. It is not a training that can be acquired in a short period; it is a skilled department of the militia which requires to be kept up by regular practice and in sufficient numbers. I believe that if an adequate vote is not provided for the artillery in the end the country will suffer. So far from being an excessive expenditure, if the vote is not passed it will be a serious loss, because we will lose those men who have had training and those men who may now receive the training in the future, which will leave us in an inferior position. I believe the minister will receive generous support if he sees his way clear to increasing the allowance for the artillery. While I speak in this way in reference to artillery, I am speaking also generally. While care and economy should be practised in all departments, I do not see how we can reduce the number of men receiving annual training at the present time.

Mr. HANSON: I desire to add a word to what has been stated by the hon. member for St. John and Albert (Mr. MacLaren). In the province of New Brunswick during the last few months the artillery officers are very keen about the service and nearly every one of them was a returned war veteran; they are all desirous of seeing that branch of the service kept up to the proper level. If I

recollect aright, they passed a resolution, the effect of which was that unless there was some further appropriation for the service it would be impossible for them to carry on, and I was among those to whom this resolution was sent. I had the honour of forwarding it to the Minister of National Defence. I believe it was received sympathetically by the minister, and I hope he will be able to place something in the supplementary estimates, as he has indicated, in order to do something for the artillery. I think this branch of the service should not be lost sight of. It is just as important—perhaps more so, especially along the coast—as the infantry branch of the service, and I think that in following the course indicated by the hon. member (Mr. MacLaren) the minister will have the support of the best sentiment of the people.

Mr. CLARK: I shall say just a few words in support of what the minister has stated as to the need of the artillery. If the artillery does not get support we might as well dispense with it; and in making these remarks I want to appeal to hon. members, especially those who believe that we should be prepared at all times to defend our country and that if the time ever comes, misfortune though it might be, for us to fight again, we shall have the courage to do just as we did before. I appeal to these hon. members because the defence forces of Canada are in a pitiable condition. The minister has stated that there is need to give further support to the artillery, and I agree with him; if you do not supply the artillery with the ammunition with which to practise then it is hopeless to expect to train an efficient force in that branch. The minister also stated that there was provision for the infantry. Well, I know of my personal knowledge that there is not provision for the infantry; there is provision for the training of one hundred men in each unit in the infantry, but that is not sufficient. Such provision is just sufficient to discourage officers and non-commissioned officers who are capable of training men; it will only serve to diminish the interest they take in the defence forces, to dampen their ardour, and to make them feel like quitting.

It was the infantry I had in mind particularly when I said that the officers of the units in Canada had to go down into their own pockets, or to depend upon public support, to get the money that is necessary for their training. I have somewhere among my papers, and I shall be glad to give it to the minister, a detailed statement showing the annual expenditures, absolutely cut to the bone after various consultations, in a militia unit in the city of Vancouver. In that particular unit, the sum required annually amounts to $8,000. And they receive $2,000 from the country with which to carry on. That sort of thing is hopeless. The training of one hundred men is not sufficient. I am not personally identified with any unit in Canada, being now on the reserve; so that I have no axe to grind for any particular organization. But I know the condition that exists; I have gone into it carefully.

Let us reflect for one moment on the advantage it would be to us to have a thoroughly trained body of men if the defence forces of Canada were ever called upon again to go to war. In the Great war, while the Canadian forces were given credit for having done almost impossible things—and they did do almost impossible things—it was not until late in 1916, over two years after the outbreak of war, that the Canadians were able to put a complete corps in the field and fight as a unit from Canada. If we had not been dependent on the Mother Country and the Allies, what sort of war would Canada have fought? We should have been crushed before we started. Now, as a result of training, casualties can be avoided; on the other hand, owing to lack of proper preparation, every force that went into the field not thoroughly trained suffered casualties untold. A comparison might well be made between the Canadians, after they were able to fight as a unit, and the Americans who came into the field, much as we entered in the early stages, inexperienced and untrained. If hon. members will make the comparison between the accomplishments of the two forces under such conditions they will find that the achievements of the Canadians in the last hundred days of the war were almost as great as those of the Americans, despite the fact that the latter had, I suppose, ten times our force. And this was due to the experience which the Canadians had gained through training and discipline.

With a backbone in Canada to-day of officers and non-commissioned officers of experience, the foundation can be laid for a defence force which, with very little training, could take the field in case of emergency. But if we allow the force to go to pieces, as it is unquestionably doing to-day, then should another war occur Canada would enter it much in the same condition as she entered the last war. And, proud as we may be of the showing which this country made in that war—and undoubtedly individual battalions and individual divisions did admirably—it is

nevertheless lamentable that as a unit Canada was unable to make a showing within a period of two years. The only way therefore that Canada can prepare herself for any similar emergency is to give proper and decent support to her defence forces.

Furthermore, the cost will not be much. To-day the vote for annual training is something like $1,000,000, and if that were increased to $3,000,000 or $4,000,000 a great deal could be done towards the efficient training of the forces. It has been said that taxation is severe. I agree; and I think that we could find innumerable places where the expenditures could be cut down or perhaps done away with altogether. We are voting money for grain elevators and railways in connection with which, with careful consideration, we might save many millions. But when it comes to something for our own defence then we are apathetic, we are not very enthusiastic about our duty. The first duty of every man is to his country; and this is the opportunity to do something to show that our hearts are right.

Mr. SPENCER: Where would the hon. member suggest cutting down grain elevators?

Mr. CLARK: I have not suggested any place in particular nor have I specially looked into that matter. I am not discussing the question of any particular grain elevator, although my own city is vitally interested in grain elevators. I mentioned this as something which I should probably advocate for my own city. But I do not care whether it be grain elevators or railways or anything else; if you look over the estimates you will find from beginning to end innumerable places where you might reduce them by millions. And I say that this is one direction in which neither Canada nor any other country can afford to be niggardly. At a recent dinner a Canadian officer was deploring the very condition which I am now deprecating; he referred to "O Canada!" and he said something like this—"O Canada! We stand on guard for thee—at a lower capital cost than that of any other country in the world except Bolivia." That is the record of Canada, and it is something that is most lamentable if we are really patriotic and desire to see our young men trained so that in case of emergency they may be able to defend their country.

Mr. GOOD: Mr. Chairman, you have just stated that this is the opportunity we should take to discuss the general policy of Canada with regard to military affairs. I do not think there is any difference of opinion in this

House as to the desirability of defence, but there may be all the difference in the world in our opinion as to what is the best means of defence. I would suggest to hon. members that before we get too far into the subject we should give very serious consideration to the basic question—as to whether or not after all, we are better defended by being defenceless in the ordinary acceptation of that term. Even if we admit—which I do not—that the best method of defence is by naval or military preparations, there are all kinds of such preparations that might be considered defensive. Reading a pamphlet issued by the Navy League some little time ago I noticed a statement to this effect:

> From the point of view of Canada, we may as well put the idea of invasion out of our heads. It does not enter into the question. But the protection of trade should indeed receive most careful and studied consideration by both people and parliament.

I cite that merely to show that even this league, which stands for active defence by physical means or armaments, argues that Canada does not need to consider the danger of invasion. If that is admitted, it makes a great deal of difference in our discussion of what would be the best method of defence.

Mr. CLARK: Just what difference does it make?

Mr. GOOD: I do not know that I am called upon to answer that question, but it certainly would make a great deal of difference. For instance, if there were no danger of invasion we would not need to have, as I take it, a large army.

Mr. CLARK: Does my hon. friend suggest that we have a large army?

Mr. GOOD: I do not suggest that we have or that we ought to have. I simply rose, Mr. Chairman, to draw the attention of the House to the propriety of deciding in our own minds as to what after all is the best kind of defence. Later on in the debate I may have something to say on that question, but now I merely submit that it is a basic question, and before we make assumptions it seems to me we ought to be certain that those assumptions are at all events tenable and to some extent justifiable.

There is another subject, Mr. Chairman, which I should like to see discussed, but I am not sure whether this is the proper time to bring it to the attention of the House. I have recently received a very interesting, indeed a startling pamphlet, written by John S. Ewart, entitled "Canada and the Next War." It contains statements as to the present position of Canada and her obligations which I think are of paramount importance.

Perhaps this is the proper time to discuss it, but I will leave the subject for the moment.

Mr. CLARK: May I ask the hon. gentleman whether he agrees with the expressions of opinion in that pamphlet?

Mr. GOOD: I am not discussing the contents of the pamphlet for the moment, Mr. Chairman.

Mr. MacLAREN: Could the minister give us information as to the number of men who are to receive annual training this year; the number who were trained in 1913, the year before the war; and similar figures for an intermediate year, say, 1920?

Mr. MACDONALD (Pictou): It would be more advantageous if my hon. friend would wait till we come to the item particularly relating to the militia. My officers tell me they have not the information going back that far, but I will get it for my hon. friend.

Mr. MacLAREN: I want it merely for purposes of comparison.

Mr. MACDONALD (Pictou): Yes.

Mr. FORKE: Mr. Chairman, the military men have had their innings in discussing this question. It seems to me that perhaps the military mind does not always view it just exactly the same as the civilian mind does. Sixty thousand Canadians laid down their lives in "a war to end war." I want that phrase to sink into the minds of hon. members to my right, who have been talking about the "next war"—sixty thousand Canadians laid down their lives in a war that was to end war; now we are busily talking about how we are going to raise another big army to go to war again. Just as long as we have discussions of this kind in every country under the sun we will have war. If we spend our time on the problems of peace, spreading the gospel of peace and showing how peace can be brought about, we will accomplish a great deal more in preserving peace than we can ever expect to by talking about preparing for war. Whom are we going to go to war against I want to know? Who are our enemies? Where is the hostile force that is hovering on the borders of this Dominion ready to attack us if we have not a large army to defend ourselves?

Mr. CLARK: May I ask a question?

Mr. FORKE: A dozen, if you please.

Mr. CLARK: Did my hon. friend or any other human being in the world know whom we were going to war with in 1914?

Mr. FORKE: We had a pretty good idea. From what we read in the newspapers for years preceding 1914 we knew that military preparations were being made on a large scale, that in fact Europe was an armed camp, and that war was bound to come.

Mr. CLARK: Does my hon. friend recall the Prime Minister of Great Britain announcing in the Imperial House of Commons not more than a week before war broke out that there was no danger of war?

Mr. FORKE: Did you ever see a small boy with a toy who did not want to use it? Military men are just grown up boys, and they want to see how their "toys" will work, they want to use them. Those in control of huge armies want to try them out. Canada is the most happily situated of any country in the world to teach the uselessness of war.

Mr. CLARK: Did the British Empire want to try its army out?

Mr. FORKE: I do not wish to carry on a dialogue with my hon. friend.

Mr. CLARK: You invited me to ask a dozen questions. Having asked only three, I have another nine still coming.

Mr. FORKE: I believe it is quite right to have a skeleton army of the smallest possible size to take care of any internal disorders that may break out, and to do its share if the country is ever attacked, which I think is a very remote contingency. I believe that if we attend to our own business and keep the banner of peace unfurled there is very little danger for a long time to come of this Dominion being invaded. I have every respect for hon. members to my right who were engaged in the late war and realize the dangers resulting from national unpreparedness, I have also considerable sympathy for their trend of thought. But, Mr. Chairman, I sincerely believe that if we talk peace, prepare for peace, and look for peace, we will get peace; and I am convinced that if we talk war, prepare for war, and look for war, we will get war. I would cut this vote down to the lowest possible minimum, just continuing our present forces without enlarging them to any extent whatever. It seems to me that if we had twice as much money to spend just exactly the same arguments might be brought forward by hon. gentlemen to my right in favour of a still larger expenditure. What is "adequate protection"?—to use a phrase familiar in tariff matters. One member might answer, a force of a hundred thousand men, while another would be con-

tent with fifty thousand men, and so on. There never will be any concrete idea of what actually constitutes adequate protection in a military sense. We cannot compete with the great military nations, neither could we defend ourselves against them. Personally, I have sufficient faith in human nature to believe that if we attend to our own business and, as I said before, look for peace, we will get peace. I would not be in favour of augmenting this vote by one single dollar.

Mr. HANSON: The hon. member for Brandon has entirely misapprehended the argument advanced by members of this group. No one suggests that Canada should maintain a large standing army. Such a thought was not expressed here this afternoon or at any other time, and it is not fair to suggest that that was the argument we put forward. What we have suggested is this: Canada is spending less per capita to-day upon national defence than any other civilized country, and the minister's own remarks bear out the statement that has been made throughout the country that the vote is so small that it is not possible to maintain even the skeleton service that is required in the case of the artillery. Artillery officers who have put their hands in their pockets year after year to provide funds since this vote was reduced to such slender proportions are getting tired of this sort of thing. I wonder if the hon. member himself is satisfied that militia officers, men of high standing in his own province and in other provinces, should be obliged to contribute from their own private funds in order to ensure the existence of a skeleton force. Artillery officers in my own province tell me they are going to abandon the whole thing if they do not get enough money to enable them to train at least once in two years a sufficient force of men to keep the skeleton organization going. We have not even got that, and that is all anybody is asking for. I do not think the hon. member is doing himself justice or that the patriotic people of Manitoba will back him up if they understand exactly what the situation is and what hon. gentlemen in this corner of the House are asking for.

Mr. LADNER: Has the minister considered a proposal originating from the Air Force Club of British Columbia with regard to the establishment of a reserve air arm by way of supplementing the existing Royal Canadian Air Force? The proposal is contained in a resolution adopted by the club and forwarded by Major Bell Irving, its president, to members of the House and to the minister. The gentlemen making this suggestion are competent by experience and by training to express an opinion of value on the question, and I would be interested if the minister could tell the committee whether the proposal is considered to be a practicable one and whether it will be gone ahead with.

[Mr. Forke.]

Mr. MACDONALD (Pictou): The suggestion that came from Vancouver through Major Irving has been submitted to the officers of my department having to do with the air force. I shall be glad to bring down, when we come to the vote for air services, the memorandum which was submitted to me in that connection.

Mr. BAXTER: I do not wish to plead for any waste of money, but I want to make a suggestion to help the minister to prevent the waste of money. If you go below a certain point in the training of artillery it would be better, I think, to abandon it altogether, because what you do is nothing but a waste of time and money. As my hon. friend (Mr. Hanson) has said, artillery officers in his province have contributed pretty largely of their private means in connection with the work of the artillery unit. They do that for certain purposes in connection with training, but they cannot do it to the extent of providing shells, and an artillery unit that is trained without actual experience in firing at a target is not worth keeping up. This material must be supplied, otherwise the whole scheme is abortive. The artillery officers are saying that it would be far better to drop the whole thing than to give them so little that they cannot produce any effective results. I would like to quote from a letter I received on this subject from a very enthusiastic artillery officer who took part in the South African war and in the Great war as well. He says:

> The portion of the national defence vote allotted to the training of the entire artillery forces of Canada for 1924 was approximately $57,000, and a similar meagre expenditure is proposed for the coming year. An amount of $400,000 was voted in 1924 to cadet corps work.

I am not criticizing the vote for the cadet corps, but if we are to have any talk about militarism and the old cry of "Shall I train my boy to be a soldier," it would be far better to direct such comments to the activities of the cadet corps than to the artillery, which must be a necessary part of Canada's protective force if we are to have any force at all as a part of the force which must be called upon for immediate duty if anything happens. My friend says further:

Though the militia officers appreciate the value of such training, it does appear as a most disproportionate amount in view of that expended on artillery. The training for last season, which is proposed for the coming season, is, in the unanimous opinion of all commanding and senior officers, from the Atlantic to the Pacific, absolutely inadequate to maintain the esprit de corps and efficiency of the Canadian artillery. It is the serious belief of such officers, and the unanimous opinion of the Canadian Artillery Association that should such training not be improved upon, it would be better to cease training altogether, until such time as sufficient training grant can be obtained.

Then he points out that the Canadian Artillery Association, at its annual meeting on the 26th of February last, embodied these views in a resolution, which, I have no doubt, has been communicated to the minister. He is of the opinion that an additional sum of not less than $200,000 is required to train the batteries as they were trained in 1923. A large part of the money is not only for material but for transportation charges, and those transportation charges largely go to the Canadian National Railways. I have no doubt that the minister has had this matter brought before him repeatedly from many quarters and that the representations put forward have met with his personal sympathy. I think his real difficulty is to convince the representatives of the people that it is worth while to do something for this particular branch of the service.

I want to ask the attention of the committee to a matter very far removed from the one I have been discussing, and one which is much more pertinent to a discussion of the civil list in connection with national defence. It is a matter I have already taken up with the minister, from whom I received a careful and sympathetic hearing. I am not speaking to-day to criticize the minister, but I am going to criticize some of the men—and I do not know what particular men they are,—for whom we are voting a part of this civil list. As I have said, I believe it is worth while to keep up national defence in Canada.

I can hold that view and at the same time I can reprobate what so often occurs—that a man because he is dressed in a uniform thinks he is justified in being an absolute autocrat in his attitude toward his fellow creatures. The man in the ranks has as good a right before this parliament as the officer at his desk, and I want to call the attention of this House, because there seems no other remedy for it, to a case of flagrant and prolonged injustice which has resulted in a young man being debarred from honest employment which ought to be open to him if he is telling the truth, and if he could get justice. It will not take very long—because I have made a memorandum of the case which I have already presented to the minister—to lay the facts before the House, and in that way before the country. I can get no other remedy but that of publicity, but this young man shall at least have that. His name is John Joseph Quilty, born on the west side of the harbour of St. John, New Brunswick. He was a railway employee with the Canadian Pacific Railway. At the time of conscription he was exempted on the ground of railway service. His serial number was 678783 E.C. The certificate stated that he was exempted until he ceased to be employed as a railway clerk. Now mistakes are not uncommon in any line of business, and Quilty in that certificate should not have been called a railway clerk. He never was one; he was a railway fireman. Nothing perhaps turns on this mistake except that it shows the possibility of innocent mistake, and unfortunately other mistakes occurred with regard to Quilty which he has never been able to get rectified. I have personally seen a document issued by local tribunal No. 35 in which Mr. Quilty is described by serial 678-783 and consecutive number 528. It exempted him while in the railway employ. It is dated 21st December, 1917, and is signed by J. F. Owens and C. B. Lockhard. Both of these men and their signatures are well known to me, and there is no doubt of the genuineness of this document. Now up to that point Quilty was exempt.

Mr. Quilty tells me that a statement was posted in the Canadian Pacific railway yards Bayshore, West St. John, that these exemptions would continue, as there were limitations of time, I think, in nearly all the railway certificates which were issued. He alone of all the men received a notification that he must appear and report for service. He did so, as he says, on 7th May, 1918, but the military record shows his enlistment on 6th May, 1918. He tells me that at that time no medical sheet had been received by the depot battalion. It appears from the records, that on the 15th May, 1918, the medical sheet was produced, showing that he had been examined on 3rd October, 1917, and it also appears from the records, that he was examined by a medical board on May 6th, 1918. The earlier examination, of course, would be in connection with liability to service. His statement is that about four days after reporting he was told to sign some paper, which was probably an attestation sheet and that he was assigned to "A" Company. He claims that he was never issued any uniform and that while he occasionally reported, no

employment was given him, and one day when the men were formed up for inspection, or as he terms it "lined up for exempted men" he was told, by a Sergeant McIntyre, to "step out with the farmers." He says that his name was never called at any roll call. Later —he was unable to fix the date—he says Sergeant McIntyre told him he could stay at home until he was sent for. In connection with his exemption there is a possibility of some confusion. He had a brother Charles, who was a clerk in the employment of the same railway company. This brother was conscripted, went to the front, and made the supreme sacrifice. I am not aware that J. J. Quilty's exemption was ever cancelled, though I am not in a position to speak positively on that point. He says he never received any notice of cancellation, but simply the notice to appear and report for service. Now if his exemption never was cancelled he was under no liability to service, but that is not the most important thing in his case by any means. It is quite clear from the military records, that on 15th May, 1918, Quilty signed a recruit's declaration, as a draftee under the Military Service Act. On the same day he signed a form of will.

On the 12th of August, 1918, a court of inquiry was held at Camp Sussex, some forty-four miles from the place to which Quilty had repared for enlistment. The court found that Quilty had illegally absented himself, without leave, on 15th May, 1918, the very day that he made his declaration and signed his will. One of the witnesses says that his kit was reported deficient, as stated in the evidence of C.Q.M.S. Hardy on the 17th day of May, 1918. It seems very strange that Hardy's testimony states that any articles were missing. It is evident that Quilty's statement that he was never issued a uniform is true, as the court's finding declares there was no deficiency, —another blunder in this evidence, not serious perhaps, and I do not wonder at mistakes occurring with the tremendous rush there was at those camps, but I do not want a blunder to blast a man's life.

No steps were ever taken to apprehend Quilty or to compel him to serve. On June 7, 1920, some two years after this occurrence, the Pension department of the Canadian Pacific Railway sent to the Militia department for inspection what purported to be a discharge certificate held by Quilty No. 326278.

On 16th June of the same year the Director of Records wrote to the District Record Officer sending this discharge certificate, which he states is thought to be a forgery. He pointed out—and this is an exact quotation from the correspondence on the subject—(1) That it does not bear the headquarter's stamp; (2) That the form is obsolete; (3) That from comparison of the handwriting, it would appear that Quilty made out his own discharge; (4) That there is no record of any discharge in orders; (5) That the signature of Quilty on his regimental documents appears to be identical with his signature on the discharge certificate; and (6) that there is no record of such a number as 326278. The District Record Officer replied to the Director of Records at headquarters on 28th of June, 1920, saying that from all appearances the discharge certificate is a forgery, as there is no record of same having been issued in that district. He attached a specimen of Major H. H. Smith's signature, Major Smith being the officer by whom the certificate purported to be signed. There is a photographic copy of the discharge certificate attached to the return of the papers in this case. It is signed by Quilty, as it should be. All the filled-in part is in writing, except the case of discharge, which is typewritten and is in these words "being no longer physically fit for war service K.R. & O. 392 XVII." It is suggested, of course, that Quilty, who is a man of no great education, knew enough to turn up the King's Regulations and Orders and find this paragraph and put it in there as the proper thing—an utter absurdity to any one who knows the young man. The description of age, height, complexion, eyes and trade, with a description of identifying marks, are all typewritten. The identifying marks are entered "nil." Now nil is a word that Quilty would never think of using. I am satisfied he would not understand it and the description does not correspond with Quilty's medical sheet.

Knowing the man as I do, it is simply incredible that he can have assigned to himself a number, which by the way was neither his regimental number nor that of his Military Service Act record; that he can have filled in part of the form with a typewriter, which I know he cannot use; that he can have filled in the remainder of it in a handwriting entirely different from his own, nor that he can have signed it in another handwriting. His handwriting is of a character—I could show hon. members copies of it—it is the handwriting of a man who can write only one hand. The signature on the discharge certificate certainly clearly resembles that of Major Smith, the district officer. If it is a forgery, I would say it is a mighty good one, and it differs very materially from the portion of the certificate which is filled in in handwriting. No one would accuse the same person of having filled it in and signed it, unless that person was a very competent forger.

Now I ask you to add to these things the difficulties a man in Quilty's position would have to encounter, a man not employed in a regimental office, in the way of getting hold of the parchment form, as well as perhaps the greater difficulty of getting at the necessary records from which to fill in the material portions of the document. It is true he might have been in collusion with some man that could do these things. That is a possibility, but I do not think it is fair to assume this possibility against this man. The brass hats have done so. I want a trial by a jury of his countrymen, and not by brass hats. This certificate is dated 2nd May, 1919, nearly a year after he had enlisted. In other words he had been at camp Sussex where the decision of a court martial had rendered him liable to imprisonment and he is supposed to have forged, or obtained the forgery of, a certificate a year afterwards, as if that would do him any good. Not one of the considerations I have pointed out appears to have been present in the minds of the officers asked to report on this subject. The Adjutant General wrote to the Canadian Pacific Railway Pension department on 16th July, 1920, saying that the case had been thoroughly investigated by the District Record Officer of No. 7 district. He stated that the discharge certificate was a forgery and that—I quote his note—"the handwriting on this certificate is similar to that of the soldier, marginally noted (Quilty) who was struck off strength as a deserter at St. John on 15th May, 1918." If he means the signature it is similar, of course the man put his own signature on; he was directed to sign. If, however, he means the body of the certificate he could not have looked at the document because it is absurd to say that the handwriting on the signature, with the exception of Quilty's own signature, is similar to Quilty's handwriting. The most casual or the most careful inspection would demonstrate the difference. He was advised that the discharge certificate, being a forgery, would be retained by the directorate.

Now, the action of the department—the casual, careless action of the department—resulted in Quilty's dismissal by the Canadian Pacific on the ground of his having been illegally absent from service, and the man who before the war was working in the employ of this railway was dismissed. He was no deserter, according to his story at all events; he was no shirker. He was exempted, under the law made by this parliament, which provided that the railway services of the country should be carried on by men just such as he. He gave up his discharge certificate, or what he thought was his discharge certificate, so that it might be investigated. He has never up to this hour been able to get that document back; the department have impounded it and he cannot get it. I have seen in a return to this House a photographic copy of the certificate, but the man himself cannot get hold of it. While he has not been directly charged with forgery, it would have been far better, far fairer, and far more manly to have charged him with forgery. Then he could have got a fair trial by somebody who would not have had, at least, the prejudice of a military caste against the man. He is treated, however, as one in possession of a forged document apparently concocted for his own advantage. He is blacklisted by the railway, and has never had an opportunity to explain his conduct, his possession of the certificate, or to justify himself in any way. He has lost the advantages which, as a young man, he had in connection with an important branch of employment.

I personally brought this matter to the attention of my hon. friend the Minister of Railways (Mr. Graham) when he was Minister of Militia and Defence. He kindly instructed his department to report upon the subject, and in consequence the General Officer commanding military district No. 7 stated on 10th February, 1921, that there were a number of men by the name of McIntyre on the strength of the depot battalion, New Brunswick regiment, and that it was impossible to trace the one concerned, in order to verify Quilty's statement at so late a date. On 12th April, 1921, the Adjutant General informed me that on 15th May, 1918, Quilty had signed attestation papers, also medical sheet and form of will; also that the court of inquiry was held as aforesaid, that he had been pardoned as a deserter under the provisions of the general amnesty; and that he would be granted a discharge on misconduct, but that the discharge certificate previously mentioned would be retained and filed with his regimental documents, as no proof could be found of same having been issued by the military authorities. This man does not want a pardon; a pardon is only for a man who has been guilty of some offence. What he wants is an opportunity to vindicate his innocence.

I took the matter up again with the minister on 11th November, 1922, and on 5th April, 1923, received a letter from the minister in which he stated that he felt if the matter was fully explained to me I would appreciate that Quilty had no further cause for consideration by the department. The minister was of the opinion that it was logical to

suppose that Mr. Quilty knew he had not been properly discharged, otherwise there would be no reason for him to present a false discharge certificate. He stated that Mr. Quilty's case had been very carefully reviewed —reviewed by the military at different times— and it had been decided that he might be issued with a discharge certificate showing him as having been discharged on 15th May, 1918—the date of the court martial. A certificate dated March 15, 1923, was granted and sent me which gave the date of discharge as 15th May, 1918, and assigned as the reason for discharge, that his services were no longer required. Now, this was meant in kindness. It was the honest attempt of the minister to palliate the injury that had been done and, I presume, because he could get no further with his subordinates and cocked hats. But it was not justice to Quilty; it did not restore him to his position with the railway company; they still regard him as a deserter and a forger. This is due to the position the military officials have taken; they are unwilling to earn the money that this parliament pays them by listening to a complaint of a man who says an injustice has been done him and investigating that complaint. I presume the members of the headquarters staff would rather play golf than look into poor Quilty's case.

Now, since what I have related, the Great War Veterans' Association have asked the Director of Records as to the genuineness of this latter certificate. Remember that Quilty had no title to anything from the Great War Veterans' Association. If they thought he was a shirker, a deserter, or a forger, these men would not have lifted a finger in his behalf; but they wrote saying that this certificate had been secured in an endeavour to show the Canadian Pacific that he had been honourably discharged and should be re-instated in their employ. "However," says Mr. Machum, the Secretary-Treasurer of the St. John branch," it seems that in some way this latter certificate has not been given the necessary consideration by that company, and it is our desire to have it so considered, if it is correct, as we feel that perhaps an injustice is being done Mr. Quilty in continuing to bar him from his former employment."

Last year I laid this memorandum, practically as I have recited it to-day, before the minister. I was assured of his sympathy, and I feel that I have it. I feel that he does not want any injustice done, but apparently he has not been able, as yet, to cut the official red tape. I am going to ask this House now to express its opinion that Mr. Quilty should be given his hearing before some civil tribunal, so that if he is guilty of forgery he will stand convicted as a forger; but if he is not guilty the stain will be wiped from his character and he can re-enter the employ of the Canadian Pacific Railway Company honourably, as he claims he has a right to do.

Mr. MACDONALD (Pictou): The case to which my hon. friend has referred is typical of a great many other cases which arose in the department during the period of the war. One can well understand that during the years from 1914 to 1918, through the sudden responsibility that was thrown upon the officials of the department and the military officers of that time, a great many occurrences happened which, in the light of after events, appear to be injustices. There is not a week passes but there come to me from some part of the Dominion cases of men who claim that at various times they did not receive proper consideration from the officers having to do with them during the period in question. But the case my hon. friend has brought up is a unique one, and is out of line with the ordinary case of complaint which has been brought before me and before previous ministers. Certainly it would seem to be an anomaly that this young man should be in the position in which he is at present. I remember very well that my hon. friend called the matter to my attention some time ago, and it was rather difficult, even with the most sincere desire to meet his views, to indicate exactly what course could be taken by the department now in order to remedy the situation which arose as a result of previous actions which prevented him from being re-employed by the Canadian Pacific Railway. I say to my hon. friend that, realizing his evident sincerity in this matter, I shall be glad to take it up, and do anything in my power to relieve the situation in which Mr. Quilty is placed.

Mr. BAXTER: I suggest to the minister that he should get someone from the Department of Justice, or some competent legal man in St. John if he wishes, and give him authority under an order in council to investigate this matter. Let him see what information the department has, and let him hear the man himself. The point is that Quilty has never been before anybody yet to whom he could give an explanation of the circumstances. The district record officer from St. John would not send for Quilty, he looked over the document and gave five reasons why it was a forgery, and these reasons would not convince any man of legal

training, or any man in a jury box, that there was evidence of forgery on Quilty's part. He was condemned unheard. I know that I have the sympathy of the minister, and I know that I am offering him a practical solution of the difficulty.

Mr. HUGHES: Men who have been connected with the militia service in this country would like to see a larger expenditure of money for that service, and no doubt we must admit that they are quite sincere. But they speak of the defence of Canada. Does anybody at the present moment really believe that within the next few years—I will not mention the number of years—there is any danger of any attack upon Canada from any quarter whatever? Why, the pamphlet issued by the Navy League a short time ago stated that we might as well dismiss that idea from our minds, and that Canada was in no danger of attack; therefore whatever preparations are to be made would not be for our defence. I think the idea is—and it is not an improbable one—that a war might break out in Europe in which it would be our duty to take part. If that is the idea, we might as well state the facts. It would be a serious thing, if we are to believe what we read in regard to what is going on in the world at the present time, if any great war broke out in Europe. The last war would be a pink tea compared with the next one. Many of the brightest minds in the world at the present time are engaged in perfecting weapons of destruction of the human race. They are fabricating them in the forges of the world. Many of the brightest minds of the world are engaged at the present time in the laboratories devising poisonous gases, fumes and vapours that will be so destructive that if another war should break out cities like London, Berlin and Paris might be wiped out, or at least the greater portion of the population wiped out, in a few hours. It is said that if another war occurred, the greatest sufferers would be the non-combatants, the women, the children, the sick, the aged and the infirm, and that the destruction would be so great that we cannot realize what it would mean. If a great portion of the large cities should be wiped out by poisonous gases and fumes dropped on them from the clouds, the destruction would be so great that the living would not be able to bury or cremate the dead. It would be followed by pestilences and plagues that would probably wipe out the remaining portion of the people. Another war in Europe, if we are to believe what we read, might mean the destruction of the human race in that part of the world. Is there any effort Canada could make that could change the course of events in such a war? That point is well worthy of consideration. If there is anything Canada or the North American continent can do to preserve peace or promote peace, whether through the League of Nations, or a world court of justice, or in any way whatever, I believe every person in Canada would be glad by every means in his power to do it.

5 p.m.

Is it just possible that Europe will destroy itself? Great empires and even civilizations have passed away, leaving scarcely a trace behind, and that part of the human race in Europe can destroy itself. Are they making preparations to do so? If these preparations go on, and if such a war should break out, could Great Britain save herself by withdrawing altogether from the continent? Could that part of the Caucasian race living in North America and South America save itself by withdrawing from Europe? There is no use in playing with matters of this kind. Any preparation that we could make within our power would hardly be a drop in the bucket compared with what would be necessary in order to take any appreciable part in any great war in Europe. I had a little experience myself when I was much younger than I am now. I was in the artillery service in a rural corps, and perhaps things are better now than they were then. I know the training we got in two weeks in the artillery, and I know the training the infantry got, and so far as the rural units are concerned, I have no hesitation in saying the whole thing was a farce, and the money was wasted. I would be prepared to admit that a city unit that could train in the drill halls in the winter season and keep up their training might get an education or a training that would be of service in case of an emergency; but I repeat again that unless things have changed very much, money expended in training rural units is money wasted, and I think we would be well advised to consider very carefully before voting large sums of money for any such purpose. These are the thoughts I wish to express, because the artillerymen for some reason or other—and it is not to their discredit—are nearly always anxious to make preparation for war. They think it is important; they think it will help to maintain peace. I believe they are mistaken; I believe it is the very means of bringing on war and of exciting people to the pitch of war. All the preparations that were made in Europe previous to the last war did not prevent war, and all the prepara-

tions they are making now for the next war will not obviate that one. A different mentality must be created if war is to be avoided and if that part of the Caucasian race that inhabits Europe is to continue to exist. The next war will mean the destruction of Europe and perhaps that part of the world will be peopled by the other races. It may be in the decrees of Providence that that part of the world shall be peopled by the Mongolian race, by the Asiatics. But if the part of the Caucasian race that now lives in Europe is to survive, war must be abolished, and they must decide of themselves that there shall be no more war.

Mr. WOODSWORTH: I do not intend to discuss this or that particular item of expenditure but rather to consider the general principles underlying the policy of preparedness. I want to challenge the theory which underlies the whole of armaments, whether military, naval or air; that is, that armaments are in any sense a guarantee of safety. That is the underlying postulate of this theory. Now, some of us are interested in preserving the country but we cannot see that armaments are the means by which this can be done. As a matter of fact it would seem as if the last war had demonstrated to the whole world the futility of preparedness as a means of safety. Yet, even within this short time after the close of the last war the world seems to be threatened with a recrudescence of militarism. In the British Empire itself we find a changed policy with regard to Singapore which may bring on strained relations with the oriental nations. The minister himself has this afternoon suggested that he has information that would show that war in Europe is by no means improbable.

Mr. MACDONALD (Pictou): I did not indicate that I had information to that effect at all. What I did say was that having visited Europe last year and having had an opportunity of attending the League of Nations and judging the mentality of Europe I was not by any means satisfied that the danger of war was over but that on the contrary war might take place.

Mr. WOODSWORTH: I am glad to have the minister's statement in that regard. I think that, as undoubtedly anyone who has followed recent movements in Europe will admit, war in the near future is by no means improbable. We have Britain's own attitude towards Egypt and India, which is not at all reassuring to anyone who is outside the official circles. And we have recently had the Dawes plan adopted. I am quite well aware that it was a Labour government that suggested the carrying out of a plan along this line. Nevertheless I believe that there is very real danger that the central part of Europe will be reduced to something resembling industrial serfdom. Undoubtedly the present political developments in both France and Germany would suggest that there is anything but the prospect of peace and security in central Europe to-day. Further than that, we have the anti-Japanese propaganda which is being carried forward in the United States and is being echoed in Canada.

Now, some hon. members may ask, what have we to do with Europe or Asia? Well, I venture to point out that we had a great deal to do with Europe when the last war came on, and there is no reason why we shall not have something to do with Europe again if other troubles arise.

Mr. BROWN: The hon. member referred to Britain's attitude in Egypt and India. In order to get his point of view, he might tell us whether he would advocate the withdrawal of Great Britain from Egypt and India.

Mr. WOODSWORTH: I do not know that I am called upon to answer that question; I made a general reference to Egypt and India, and I think that anyone who has followed to any extent the British policy in India during the past few years, with some of the types of repression which we have witnessed there, and with the refusal to give any large measure of self government to India, must view the situation with anything but equanimity. And as we all know, Egypt has been a sore place for many years. We Britishers told the world that we were going there for temporary occupation, and so far we have neither withdrawn nor shown any signs that we are about to withdraw. However, I do not intend to discuss the policy of Great Britain in either Egypt or India; I merely referred to the matter in passing. It might very well however be the subject of discussion in this parliament. Indeed, I had rather hoped that after we had set up a committee on international relations, we might discuss some of these questions in this House; because if the League of Nations is to mean anything to us—and through the League of Nations we are committed to certain definite responsibilities—and if the British Empire is to mean anything to us, especially in view of the fact that we are involved in war when the empire is involved in war, then we should have a little more discussion than we have had in past years of the policies that are carried on

by the British Empire as well as by other members of the League of Nations.

There are those who are perhaps inclined to deny any of us the right to question the maintenance of armaments. For a good many years in Canada those who believe in military preparation have had their innings, and they have almost come to take it for granted that their policy is the correct policy and the one that must be maintained indefinitely in this country. In fact, during the war it became a crime for anybody to question the causes that led to hostilities; and the press and other agencies effectually silenced anyone who was opposed to that policy. It seems to me that now that we have had this Great war, which has practically led to the bankruptcy of the world; and when we are faced with the possibility of another war, which as Winston Churchill has said will be the potential destroyer of the human race, it is well that we should take time to consider the claims of the militarists before passing as a matter of form from year to year these military estimates.

Some hon. gentlemen may say that this is merely a personal matter with me. I have no hesitation in saying that I was opposed to the last war, and I hope I shall be opposed to the next one. But it is not merely a personal matter. I was elected on a platform one plank of which advocated national disarmament, and I should not be true to the people who sent me here unless I took this opportunity to advocate that policy. Some hon. gentlemen here may pooh-pooh the idea; but the fact is that a sufficient number of electors were found in the fairly respectable city of Winnipeg to endorse a policy of this kind. I have the right to stand here and voice the viewpoint of my electors. It is a viewpoint that is growing very rapidly across the country. I have in my hand a pamphlet which was issued just recently by a committee of the Protestant Ministerial Association of Montreal, in which strong ground is taken with regard to war and in which it is suggested, for example, that the Christian churches and Christian individuals ought in the presence of war to set God above Cæsar, conscience above the authority of the state. This, it seems to me, gives the state fair warning that if another war is precipitated, at least a section of the churches will refuse absolutely to participate in that war. Further than that, we have resolutions from farmers' organizations throughout the entire west protesting against the continued war expenditure.

As to the labour organizations, I think I cannot do better than read a paragraph or two from the manifesto issued about a year ago by the International Federation of Trade Unions. This organization, let me interject, is not the one affiliated with Moscow. So there is no reason for any hon. gentleman to jump up and shout, "Red Moscow!" I note that the Trades and Labour Congress of Canada has signed this manifesto through its president, Tom Moore. The manifesto states:

> We are drawing near the tenth anniversary of the day which saw the outbreak of the world war—that fatal August day which let loose Armageddon upon the world, and opened the way to a slaughter and havoc which has been unexampled in the annals of the world.
>
> For four long years the world suffered untold agonies; for four long years the peoples fought each other like wild beasts; for four long years the flower of the world's youth was sacrificed on the battlefields; for four long years civilisation was forgotten, and its most elementary lessons were thrown to the winds.
>
> During these four terrible years, thousands of young men went forth to battle in the confident hope that they were fighting to end war, and to make the world safe for democracy.
>
> They did not know that they were merely the dupes of the lies and insinuations of small groups of capitalists, who were seeking to strengthen and extend their domination of the world.
>
> Then came the sham peace that shattered the illusion of so many, and destroyed the dream that this was the war to end war.
>
> And now the countries of the world are again making ready for fresh war.
>
> Science is busy seeking new and even more terrible methods of dealing death and destruction. We all know that the next war will bring with it wholesale slaughter to a degree undreamed of before. The very air will be laden with death and will bring pestilence and destruction to countless multitudes far remote from the actual centres of war. The next war will be the final triump of barbarism; it will sweep from the face of the earth the last traces of civilisation.
>
> In the next war there will be no place for personal heroism. The days when man could show prowess on the battle-field are for ever gone by. Henceforth he will be killed by a system of mass destruction, which will work unerringly as the machinery he now uses for mass production. The sole use of the mechanical perfection to which he will have attained will be to doom millions to horrible and inevitable death.

The manifesto calls upon the trade unionists throughout the world to unite in an international anti-war day. In view of this growing sentiment, I would suggest that we might very well pause and ask ourselves whether we should longer continue this policy, or whether we should give due notice to the advocates of militarism that we propose to insure the defence of our country along other lines.

Before following that theme any further, might I call the attention of the government to several specific matters? First of all, I notice very frequently by the papers that military officers—and in this connection the name of General MacBrien occurs very often—are taking the opportunity of going about the country advocating preparedness; in other words, devoting themselves to war propaganda. I would respectfully question

the propriety of salaried officials of the people of Canada undertaking to throw themselves into the advocacy of certain political policies. We do not permit it in other departments and I cannot see why it should be permitted in the National Defence department.

Let me call attention to the fact that in the last few days we had a good deal in the newspapers about the danger of interruption of our friendly relations with the United States due to the government of that country probably finding it necessary to put an anti-rum-running fleet on the Great Lakes. The papers have definitely given publicity to the rumour that American vessels are to be armed to deal with rum-runners. All of us who know anything about the way in which rum-running has been conducted for the last few years know that Canada has been used more or less as the base for these operations. I do not know how far our government has definitely undertaken to put down this illicit traffic. But if it has tried, it has not succeeded in doing so, with the result that to-day we find a good deal of friction occuring between the two countries. Now, a great many of us have pointed rather proudly to the fact that from the days of the Rush-Bagot treaty in 1817 we have had no armed ships on the Great Lakes. Some hon. members have asked, what are we doing in the way of preparation. I would say that the surest preparation against any armed intervention by the United States is not for us also to put on armed boats, but to see that the law in this country is maintained, and that wrongs are remedied. This is the surest way, and the only way, to prevent international trouble, and I would call upon the government to take more definite action along that line. This is one of the ways by which we may prevent war.

Another matter to which I should like to call attention has also come to our notice recently through the papers. In reply to certain questions put in the British House of Commons, we were told that twenty-five members of the Canadian expeditionary force were executed during the war for military offences. No Australians were so executed. Considerable publicity has been given to the statement of Sir Arthur Currie with respect to this matter. Sir Arthur represents the view of officialism. I should like to give a statement that represents the idea of the ordinary Canadian. It is contained in an editorial in the Western Producer—and I might remind the House that the editor is Mr. Horace Turner, who served and lost a good deal during the war.

Mr. CAMPBELL: He lost his sight.

Mr. WOODSWORTH: The editorial is entitled, "Now, It can be Told":

> In reply to a question in the British house of commons the other day, the minister of war stated that during the Great War twenty-five Canadians, five New Zealanders, and no Australians had been executed for offences committed during their connection with the armies to which they were attached. The explanation for the immunity of the Australians from execution is not that they were more law-abiding than the Canadians or New Zealanders, but that the Australian command refused to permit the Imperial authorities to impose the death penalty on Australian soldiers. Sir Arthur Currie, commander of the Canadian forces during the war, has expressed his disapproval of the publication of the figures mentioned above. He believes that it would be just as well if such matters were not opened up for public discussion. He thinks no good purpose can be served by such publicity. Sir Arthur—who gathered many medals, a title, and much appreciation from his connection with the war—apparently does not think it a good idea that the public in general should actually know and realize what war is and what it means. He apparently believes that if it is possible to hold the public to the idea that war is a great and glorious occupation, in which the flaunting of banners, the playing of bands and the shouting of heroes—and not the misery and horror of death—are the main considerations, it is a good thing for the country. As a matter of fact, it is just as well that the people should know what they are talking about when they talk about war. It is well that they should know who these men are, who were shot down by their comrades in France; well to know why they were shot down; and well to know that war means death and destruction, horrible suffering and unjust oppression. Some of these men who were executed were volunteers who, because they were persuaded that their king and country needed them, or for love of adventure, joined the army. In some cases they were men who made great personal sacrifices to go to the war. In some cases they were men who had served—and served well—in the front line of the battle, but who, through the constant, gnawing horror of the business, the ever present fear of death, had lost their nerve. They ran away. They were men driven to the extremity of terror by war conditions; driven to the point where they, although they had joined the army voluntarily and with perfectly brave and loyal intentions of seeing the thing through, had become practically insane through their close contact with horror and the terrible business of war. They were, many of them, more to be admired than thousands of young men who did not join the army, but who preferred to stay at home. And yet they were shot in cold blood by men wearing uniforms the same as theirs. There is no good purpose served by gasping with amazement at the fact that these men were executed. As a matter of fact, it is probably a good thing that they were shot. It is probable that the idea spread abroad among the troops that the man who fled from his position would be killed by his own comrades, was an idea worth promulgating at all costs, for the defection of these terror-stricken men at critical moments affected not themselves alone, but the men side by side with them in the trenches. One man who faltered might have meant the death of a score of men in a trench at a desperate turn in the tide of battle. The poor devils had to be

shot in order to protect the lives of men who were, for the moment, more in control of their senses. No, Sir Arthur, the public may just as well know what happens when nations go to war. It is well for them to know that the men they send to the battle line suffer agonies of mind and body. It is well for them to know that the heroic men in the front line are reduced to the mental stature of savage beasts of prey; that they grovel and fight like madmen; that, if overcome by terror, they run away, they are shot by men of their own race and colour. It is well for the public to know that war has no relation to sanity, and that the men who put obstacles in the way of permanent peace are traitors to mankind and are beyond comparison the greatest scoundrels at large to-day.

I submit that the policy of Canada with regard to her men should be determined here and now. Are we to be less careful of the lives of our men than Australia? Are Canadians to be shot down at the hands of British officers?

I should also like to call attention for a moment to the anti-Japanese propaganda which apparently is being carried out very carefully and systematically. We are told of the oriental menace. I for one am anxious that the standards of the Canadian people should be protected, but it is quite possible to protect our standards and also to maintain control of our own immigration policies without antagonizing other nations. The trouble is that it is so easy for us to be influenced by press propaganda, and that propaganda is carried on at the present time on such a wholesale scale. Debates of the British parliament have already established that British war-time propaganda in America was a thousand-fold more virulent and widsespread than the feeble propaganda of the German imperialists. Lord Northcliffe himself admitted that England had spent $150,000,000 for propaganda purposes in the United States during the war, and he said he considered that money to be spent to better advantage than any equal amount spent during the entire conflict. There were over 4,500 British publicity agents in the United States, it was admitted in the House of Commons. The British government subsidized its own news agencies to disseminate official war propaganda. Mr. McCurdy, M.P., declared in the British House of Commons, August 5, 1918, that the government had paid Reuter's agency £126,000 for services covering a certain period of the war. We are already subsidizing Reuter's agency, and it is comparatively easy at any time to have only those particular items go through that will carry out the purposes of the particular group that happens to be in authority. Sir Gilbert Parker, who was in charge of the department for American propaganda, confessed in Harper's Magazine, March, 1918:

Among other things, we supplied three hundred and sixty newspapers in the smaller states of the United States with an English newspaper which gave a weekly review and comment on the affairs of the war. We established connection with the man in the street through cinema pictures of the army and navy, as well as through interviews, articles, pamphlets, etc., and by letters in reply to individual American critics, which were printed in the chief newspaper in the state in which they lived and were copied in newspapers of the other and neighbouring states. We advised and stimulated many people to write articles; we utilized the friendly services and assistance of confidential friends; we had reports from important Americans constantly, and established association by personal correspondence with influential and eminent people of every profession in the United States, beginning with university and college professors, and scientific men, and running through all the ranges of the population. We asked our friends and correspondents to arrange for speeches, debates and lectures by American citizens, but we did not encourage Britishers to go to America and preach the doctrine of entrance into the war. Besides an immense private correspondence with individuals, we had our documents and literature sent to great numbers of public libraries, Y.M.C.A. societies, universities, colleges, historical societies, clubs and newspapers.

After the exposé of the way in which the propaganda for the last war was carried forward, it is surely time that the common people of the country should ask themselves whether they are not in danger of being trapped a second time.

Let me pause for a few moments to visualize the international political situation which confronts us. We have a large number of independent states, and their attitude to one another is that of very keen rivalry. The final court of appeal, as it has been for a great many years, is war; hence we have on the part of all these independent nationalities, with very few exceptions indeed, the theory and practice of preparedness. This takes two forms. First of all, military preparedness; the army, navy and air forces must be kept up. It was very clearly shown before the last war that armament firms egged on one nation to certain forms of preparedness and then turned round and urged its rival to meet it along similar lines.

In addition to the military preparedness we have what I might call psychological preparedness. We maintain the attitude of boosting our own. We have our own song, "Britannia Rules the Waves", and I am not at all sure that it is much preferable to "Germany Over All." They both exhibit the same spirit, the same desire to dominate. Of course, as a Britisher I suppose naturally I like to think of the British dominating; it is hard to get out of one's own skin. But at the same time, I say both of them manifest a

spirit that will never bring us peace, but will always lead to war.

Mr. MACDONALD (Pictou): I suggest, Mr. Chairman, that the hon. gentleman is verging very nearly to a statement of disloyalty, which ought not to be permitted in this committee.

Mr. WOODSWORTH: I await the Chairman's decision on that matter. I should like to repeat my statement—and I have no hesitation in doing so: that the spirit which leads us to assert that Britannia rules the waves is precisely the same spirit which led the Germans to assert that Germany should be over all.

Mr. MACDONALD (Pictou): That is slightly different.

Some hon. MEMBERS: The same thing.

Mr. WOODSWORTH: I think it is the same thing.

The CHAIRMAN: I would suggest to the hon. member that it is a little difficult for me to see the application of his address in this debate in committee to the question of this vote that is before the Chair. I do think that he is getting somewhat away from this vote.

Mr. WOODSWORTH: Mr. Chairman, we have had definitely placed before us to-day the urgency of the situation and the need for preparedness. I submit with all respect that those of us who do not agree with that policy have a right to state our disagreement and the grounds on which it is based.

As I was saying, we have constantly the glorification of our own nation, and side by side we have the habit of decrying other nations. One of the commonest ways of doing so is to call them nicknames. We have the Hun, the Dago, the Jap, the Chink, the Turk, and so on. All these names are derogatory in character, so that there is hardly a nation to-day but that if occasion should arise, could be designated by some term of opprobrium. Thus it is easy to arouse great antagonism on the part of our people.

The fact is that even peace has been very largely an armed truce or simply a defensive alliance. Let me point out at the same time that we have recently experienced some very remarkable world developments. To-day we have an economic interdependence that has brought all the nations into close relationship the one with the other; I do not think I need to elaborate that statement. No nation to-day is self-contained. Each nation is inevitably connected with all other nations. It is absolutely impossible for us, as it were, to put a corral around our own particular piece of property and say we will have nothing to do with outsiders. The whole of modern industry, commerce and finance is international, inter-communal in character. Thus there is a growing sense of world community. We have seen this for a great many years in the scientific world. We recognize that advancement in any one nation along scientific lines means advancement in other nations. We have seen it more or less in the cultural spheres, literary, artistic and religious. We know that what happens in any one part of the world is of more or less concern to all the rest of the world. But let me point out that with this growing inter-dependence, world-wide in its character, we have group and class conflicts that are also world-wide. The financiers do not stop within the bounds of one nation, but stretch their operations over into other nations. The present highly concentrated system of finance is also international in its viewpoint, and we have also our international labour unions, our international socialist parties, just as we have our international groups of financiers and industrialists.

The trouble, Mr. Chairman, is, I submit, that there is a danger of the various groups and classes using the political machinery and national prejudices for their own ends. It is so easy for the one group that happens to be for the time being in control to use the political machinery to advance business interests, and that has been done again and again; in fact, that is more or less the settled policy of the British Empire itself. We look back at the past war for a moment, and I think no one is any longer deceived as to its causes. President Wilson said at St. Louis:

> Is there in this audience any man, or any woman, nay—is there any child, who does not know that the seeds of war are sown in hot, successful commercial and industrial rivalry?

Marshal Foch made a similar statement just after the war was over. Joseph Chamberlain years ago said:

> The Empire is commerce. . . . . It was created by commerce, it is founded on commerce, and it could not exist a day without commerce. . . . For these reasons, among others, I would never lose the hold which we now have over our great Indian dependency—by far the greatest and most valuable of all the customers we have or ever shall have in this country. For the same reasons I approve of the continued occupation of Egypt. . . . and lastly it is for the same reasons that I hold that our Navy should be strengthened, until its supremacy is so assured that we cannot be shaken in any of the possessions which we hold, or may hold hereafter.

A frank recognition that commerce is behind the whole of our military preparations to-day! A few days before the outbreak

of the Great war, Sir Edward Grey defined in the House of Commons on July 10, 1914, what had been for years the practice of the Foreign Office. He said:

> I regard it as our duty, wherever bona-fide British capital is forthcoming in any part of the world, and is applying for concessions to which there are no valid political objections, that we should give it the utmost support we can, and endeavour to convince the foreign government concerned that it is to its interest as well as our own to give the concessions for railways and so forth to British firms, who carry them out at reasonable prices and in the best possible way.

Now, Mr. Chairman, I would submit to you that this matter comes very close to us here in this House at the present time as we are considering these estimates. If we are inextricably involved with the British Empire and with the fate of the British Empire, and if it is definitely the policy of the British Empire to seek concessions in almost any part of the world, to develop certain markets in almost any part of the world, to extend its finance into almost any part of the world,—surely we are constantly in danger of being dragged into the various operations in which the British government is more or less concerned. Just before the last Great war Mr. H. N. Brailsford pictured in a very notable book, The War of Steel and Gold, the situation which existed at that time. It might have been called a prophecy of the war, because he showed how the whole stage was set for war, and that war was inevitable. I was surprised a little while ago to find the hon. member for Burrard (Mr. Clark) speaking as if there had not been preparedness on the part of England. If he will read anything of the literature which has come to us since the war he will find abundant evidence that there had been very, very definite preparations on the part of England as on the part of other nations, for the last great war. Mr. Brailsford in a recent issue of The New Leader, in commenting on British policy had this to say:

> The foreign ministers of other great powers interpreted their "duty" in the same way—

That is, as Great Britain did,

> —and felt the same touching confidence in the capitalists whose ambitions they promoted. The result was that, for a generation before the war, Constantinople, Pekin and Teheran were centres of intrigue, in which the financiers and the diplomatists of all the great powers, in the closest association, cajoled and bribed and bullied, formed their cliques, hired their partisans, scrambled for loans and concessions, competed in selling armaments and railways and in buying oil wells and mines, and carried their competition from the field of business to the world of high politics. Should the "heavy industry" of Germany or of France dig iron-ore in Morocco in order to lay it down in the form of steel rails on the road to Bagdad?—that in one concrete illustration was the question which set all Europe arming in two allied camps.
>
> Sometimes the rivalry was checked in one region by an arrangement, fatal to the liberties of its population, to divide it into spheres of influence. Tropical Africa was in the end partitioned peacefully: Persia was amicably torn in two by Russia and Great Britain. But always the rivalry broke out again, for always and in every country the pressure of business and finance was at work in the press and among politicians to prompt governments to forge more cannon, to build greater battleships, to exhaust the last reserves of man-power, in the effort to gain a preponderance of prestige and force which might be used for economic ends.

And then Mr. Brailsford goes on to meet the objection that all this is a thing of the past, and that through the League of Nations we had created an instrument which was going to put an end to this kind of capitalistic manipulation. He proceeds:

> "An old story," you may say, "an obsolete story. Capitalism has made the world safe for democracy and banished war by its League of Nations." Save by its attempts to regulate the hours of labour, the one thing which the league has not touched, or begun to touch, is this curse of economic imperialism. Under its shelter the predatory hunt for oil and coal, for raw materials to monopolise and territory to exploit, has been blessed and sanctified: it has not been stopped. We arm more heavily than before, and as before diplomacy places the services of the state at the disposal of capital invested abroad; while the British government insists that the league must not interfere between us and the population of our fields of investment in Egypt and the Soudan. Capital has acquired nationality: shares possess citizenship, and scrip can say in Palmerston's words, Civis Romanus sum. So long as private capital can call up, to guarantee its profits, the clerks of the foreign office and the admirals of the fleet, so long will it perpetuate militarism and prepare wars.

I have spoken of the situation as it affects the British Empire. Now I should like to draw attention to the advocacy of preparedness that is being carried on in Canada. I hold in my hand a pamphlet issued by the Navy League of Canada in which we have a very excellent statement as to the real reason for armaments. It is entitled "The Interdependence of Canadian Industry and Naval Defence." I notice as patrons: His Royal Highness the Prince of Wales, Their Excellencies Baron and Baroness Byng of Vimy; and the Lieutenant Governor of each province. I notice among the honourary presidents: E. W. Beatty and Sir Henry Worth Thornton. This document reminds me very strongly of another that I hold in my hand, dated August, 1912, when the same kind of propaganda was being carried forward. On this particular document Hon. D. C. Cameron, then Lietutenant Governor of Manitoba, headed the list. I also find the names of George Bury, Vice-president Canadian Pacific Railway; M. H. MacLeod, General Manager Canadian Northern Railway; Hugh Suther-

land, Executive agent Canadian Northern Railway. So that it is the same class of men who now advocate preparedness as urged it before the last war. I should like to read two or three statements from the pamphlet in question which, I think, place the issue frankly and fairly. I am not throwing any discredit whatever on gentlemen who honestly believe this is the way to save our country; I give them every credit for their convictions in this regard, but I claim they should extend the same credit to us and admit that we are honestly endeavouring to put forward a policy which we on our part believe will save our country. This pamphlet puts the case so clearly that I wish to place it before the House:

> That at the present time, and so far as can be forseen by the most idealistic statesmen responsible for the destiny of their respective countries, there is no immediate prospect of certainty that the re-actions of various national external policies will not result in a call to arms to support antagonistic national convictions.
>
> That to meet our obligations to future generations, the development of national industries must be on a basis of stability, and that stability is ephemeral under existing conditions, without the security provided by armed forces.

The question is asked on the next page:

> What is a navy for? There is a common idea that the object of a navy is to resist invasion, and if that conception were correct there would be little to say in favour of naval defence for the Dominion. But it is far from accurate, particularly as regards Canada.
>
> The primary role of the navy is the protection of lines of communication across the sea. There are many ways in which the navy has to carry out this duty, many kinds of naval activities, but whether it be the clash of great battle-fleets, the cruiser actions, the submarine and mine blockade of enemy ports, the convoy escort work, the patrols of minesweepers and light craft off our coasts, or the many other distinct operations, they are each and all phases of the main objective of keeping the sea routes open and secure from enemy action.

The pamphlet in the latter part does what some of us have tried to get the minister to do on previous occasions. and does it very frankly It discusses the question as to who our enemies are likely to be. The view put forward is that there are three conditions of emergency or war in which we may become involved: First, our position as a neutral, with a very heavy responsibility, in the event of war between the United States and some overseas power; second, ourselves at war with an overseas power; and third, war with the United States. I do not propose to discuss whether, in any one of these three eventualities preparedness would be our best means of safety; I think that could very well be left to the House. But I read again, a statement of the underlying theory:

[Mr. Woodsworth.]

> The fact is that the seeds, the root of war, lie not in armaments but in economic causes, in the re-actions of varying national policies framed by governments with a view to the industrial and commercial development of their peoples. The economic struggle goes on to-day as actively as prior to August, 1914. Nations, with their varying economic problems, their natural racial pride, their own group psychology, evolve policies which it is vain to believe will all be in harmony, and which involves an ever present risk of a clash wherein stability of industrial commitments will lie only with those in a position to maintain their sea communications.

One more brief quotation. After the pamphlet has frankly admitted that the Washington conference changed the details but not the principles of national naval defence:

> So we differ both from those who say that armaments prevent wars and those who preach that armaments are the cause of war. It is the everlasting economic war, which prevails in time of nominal peace, which has produced, and will produce, physical war.

There we have a most important statement made very fairly and very definitely by the navy league. I agree with the navy league in this regard:

> It is the everlasting economic war, which prevails in time of nominal peace, which has produced, and will produce, physical war.

So we have to conclude that the last war was not, as we were assured, the war to end war. It was, in fact, simply a skirmish. I think we have to go further than that, and say that those who promised us that this was the war to end war are not men whose judgment can safely be followed; they have proved themselves blind leaders of the blind. They have led us into the ditch. I think the least that might be expected of them is, if not to confess how seriously they were mistaken, at any rate to give opportunity for the discussion of some other and some better way.

Why should Canada not strike out along new lines? The hon. member for Southeast Grey (Miss Macphail) had on the order paper a resolution, which, I am very sorry, was not reached, suggesting a peace bureau to foster and promote international goodwill and understanding. Why not? We are spending our millions upon war preparations, why not spend at least a few thousands in trying to find if there is not some other way? We have trodden the hard paths of war; why not explore the avenues that may lead to peace? You want the thing put on a business basis? Mr. Chairman, if Canada adopted an attitude of this kind and was foremost among the nations that definitely set themselves against war and assured her citizens that they would keep out of these great struggles, it would be the biggest advertisement that Canada could ever make before the nations of the world. Your Wembley exhibition

would not not be in it with the statement that would go forth that Canada was done with war. You would have no need further to spend your millions of dollars in inducing people to come to this country, because the people would be flocking from war-torn Europe, only too glad to come to a country where there was no prospect of war.

But let me not deceive the House into thinking that I believe that merely by setting up a bureau of peace we could solve the problem. I come back again to this clear-cut statement of the Navy League of Canada. "It is the everlasting economic war which prevails in times of nominal peace which has produced and will produce physical war." And I would urge that this House should devote some attention to studying the fundamental principles of our economic and social order. I know there are those who, as soon as one suggests that we should have some fundamental changes, shout "Socialism" and try to banish the thought. I am not afraid of the word "Socialism," which comes from a perfectly good Latin word which means comradeship, which means that to-day we as individuals are no longer living isolated lives; that no nation is any longer living an isolated, individualistic life, but rather that we are living in society in a thousand and one complicated relationships and that we must adapt our political ideals and our political institutions and our political policies to meet the new situation that confronts us. I am perfectly well aware that it is comparatively useless to appeal along these lines to many members of this House, but I would like to appeal beyond the walls of this parliament, to the men who at the front learned what war really meant, because I have found after conversations with them that the majority of them actually thought that they went out to fight in order to end war, to bring in democracy, to have a changed social order, and these disillusioned men are among those who will back up any effort to put things on a new basis.

In conclusion, I would like to appeal to the men and women who have dreamed of a better future for their children and for humanity, and who are willing to take some risks to make their dreams come true. I recognize that the policy which I have advocated would involve risks, but the present policy involves not only risk, but almost certainly a failure. Why not take those risks which are incident to the development of the new means of protecting our nation?

Item stands.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

DEPARTMENT OF THE INTERIOR

Interior—salaries, $1,437,542.50; contingencies, $100,000.

Hon. CHARLES STEWART (Argenteuil, Minister of the Interior): Last year we voted for salaries, $1,501,410.25 for the permanent staff at Ottawa, whose salaries are chargeable to civil government. The amount asked for this year represents a decrease of $63,867. Statutory increases in accordance with the Civil Service Act have been provided for and these total $21,305. The reorganization of some of the branches accounts for a further increase of $1,725 while three new positions account for $6,480. The decreases are effected by the abolition of twenty-six positions amounting to $49,390, while twenty-six positions not required amount to $31,020. There are twenty-six positions abolished, twenty-six positions not required, and one position is for six months only. These are the reductions. But there are three new positions and this makes the net decrease forty-nine.

Mr. MEIGHEN: Since last year?

Mr. STEWART (Argenteuil): Yes; these are comparisons with last year's figures.

Mr. MEIGHEN: This is the first time the estimates of the Department of the Interior have come up. They should not be gone into to-night but I will not press the objection if the minister will undertake that they will be gone on with on one of the first three days of the week.

Mr. STEWART (Argenteuil): It is intended that I should stay only for a short while.

Mr. McMASTER: Not more than every fifth word is audible down here.

Mr. MEIGHEN: I would suggest to the hon. member that he come up here where he ought to be; there is plenty of room. The Department of the Interior, like every other department, should be gone into on a separate day on one of the first three days of the week; otherwise the motion to go into Supply is valueless as far as that department is concerned. However, so long as the minister undertakes that there will be a motion to go into Supply for his department on another day I shall be satisfied.

Mr. CAHILL: The right hon. gentleman will remember doing the same thing.

Mr. MEIGHEN: Yes, but he gave an undertaking.

Mr. CAHILL: Without any undertaking.

Mr. MEIGHEN: Not at all.

Mr. STEWART (Argenteuil): The objection is that we are taking up two departments on one day?

Mr. MEIGHEN: Yes.

Mr. STEWART (Argenteuil): I do not anticipate getting through to-night. However, I am willing to give that undertaking, certainly; I have no desire to deprive anyone of any opportunity to ask questions.

Mr. MEIGHEN: Has there been any merging of branches since last year? I understand that the year before the Irrigation branch was merged with the Water Powers.

Mr. STEWART (Argenteuil): No direct heads of branches have been abolished but we have reduced our Land branch considerably. We have them all in the Norlite building under Mr. Greenway. Formerly they were under separate heads.

Mr. MEIGHEN: School lands with Dominion?

Mr. STEWART (Argenteuil): All land branches are under Mr. Greenway at the present time. The same men are in charge but they are under one control.

Mr. MEIGHEN: The minister reopened some sub-offices which had been closed before. Has he closed any sub-offices?

Mr. STEWART (Argenteuil): We reorganized a number of offices but I have not the list at hand. We gave Kamloops the status of a sub-office.

Mr. MEIGHEN: Have any sub-offices been closed?

Mr. STEWART (Argenteuil): There may have been one or two. I am not sure whether Yoho is still in operation or not. These are only one man offices which are kept on a commission basis in the outskirts where homesteading is going on.

Mr. MANION: I notice at the bottom of the estimates that there is reference to a saving by superannuation of $20,500. What does that mean? I have always thought that superannuation would involve the paying of two salaries.

Mr. STEWART (Argenteuil): This is a departmental saving but the money comes out of the superannuation fund. There is a good deal of criticism with regard to the retiring of civil servants but under the Superannuation Act I do not think the government will pay very much money. True, we did under the Calder Act, which called for a direct grant in many cases; but under the Superannuation Act, with 5 per cent levied on the civil servants, I cannot believe that there will be any heavy draft on the resources of the government.

Mr. MANION: The minister will understand what I mean; it mentions a saving.

Mr. STEWART (Argenteuil): It is a departmental saving.

Mr. MANION: But their superannuation allowance goes on while other people take their places in the department.

Mr. STEWART (Argenteuil): Not in this case, which is a saving to this department although it is not a saving so far as the general total is concerned. The superannuation must be paid out of the fund.

Mr. MEIGHEN: I do not see why it appears there. I notice it is not in any of the other departments, for instance, Indian Affairs or Insurance. I do not understand how there can be a saving through superannuation. The number of employees is given; those employees are paid; how would there be a saving of their salaries through superannuation?

Mr. STEWART (Argenteuil): Apparently there were savings because certain employees were superannuated during the year. I understood the hon. member for Fort William and Rainy River (Mr. Manion) to contend that the mere superannuation of a civil servant was not a saving to the government. But it certainly is a saving to the department, providing the position is not filled.

Mr. MEIGHEN: It may be a saving to the department, but that saving will already be represented in the $1,462,000, which is paid to 768 civil servants. When you pay those employees, how can you save their salaries by superannuation? They are not superannuated, they are on the staff.

Mr. STEWART (Argenteuil): When retirements take place, for example, in the middle of the year, five or six months' salary is saved for that particular year.

Mr. MEIGHEN: For the year we are on now?

Mr. STEWART (Argenteuil): Yes. We had a saving of $20,500 last year. The estimate is $25,000 for this year.

Mr. MEIGHEN: How in the world can that be? The department estimates that 768 employees will be required this year. If that many are required, and one of them is super-

annuated in the middle of the year, there will be somebody to take his place.

Mr. STEWART (Argenteuil): No. We think that by further reorganization we can cut down our staff, but the difficulty is to know just when it is in order to make the cut. We cut it by $20,500 last year. By adopting this course, if certain positions become vacant some time during the year in a large staff like this, we estimate we can save this much money. Therefore we have cut the estimate to this extent. In other words, we have obligated ourselves to make the reductions as far as is practicable. I find in my experience that it is a pretty good thing to do this, because then the officials of the department keep within the estimate.

Mr. BOYS: Has this ever been adopted before?

Mr. STEWART (Argenteuil): No, it is only done in this one department.

Mr. BOYS: Do you provide for the salaries of a certain number of clerks for the year, and then in the early part or middle of the year, supposing one is superannuated, you save his salary for the balance of the year?

Mr. STEWART (Argenteuil): Yes.

Mr. BOYS: That would be perfectly correct if his place is not filled.

Mr. STEWART (Argenteuil): It will not be filled because we have not the salary available for the position.

Mr. BOYS: I would imagine there would be promotions, and possibly the junior position would be filled. Unless the minister can say definitely that for every superannuation there will be a reduction of one clerk, it would hardly be fair to take full credit for what would be saved by superannuation.

Mr. STEWART (Argenteuil): No.

Mr. BOYS: Then I cannot see how you can possibly take credit for the full saving by superannuation. Supposing a man is superannuated, and his position is filled by the clerk immediately under him, and this promotion continues down to the junior. If on his promotion his position is not filled, then of course you subtract the salary formerly paid to him.

Mr. STEWART (Argenteuil): We set out last year to reduce our staff, and we think we can reduce it still further by co-ordinating the work and getting the employees into buildings where we can amalgamate the staffs. That is what we are trying to do. I cannot say at the moment, nor can the officers of the department, just when that particular position will be abolished, because in effect that is what it means. That individual may go on the superannuation list, but the position itself will be abolished, and we will not require that salary for the balance of the year. This is more or less an estimate of what we will save in that way.

Mr. BOYS: Whoever prepared this estimate and reached the conclusion that there was to be a saving of $25,000, must have had his mind fixed upon certain persons receiving certain salaries being superannuated at a certain definite period. The next thing that comes to my mind is, will those positions be filled? If so, and you are filling the junior position—the minister knows what I am referring to—when there cannot be that saying. But if the minister will tell the committee that the junior position will not be filled, then I at once concede that you would save the salary of the junior officer who is promoted and whose position is not filled. I think the best way to get at the explanation would be to turn to the page and consult the notes there which indicate how it is we are going to have a saving of $25,000. We would like to know the number of the employees, the salaries they are getting, and the dates upon which they will retire. Then we can figure up the saving for ourselves.

Mr. STEWART (Argenteuil): That is just the difficulty; hence this is the method we have adpoted. We have a list of last year's positions, of which we abolished twenty-six, but I assure my hon. friend that at the time I could not have told him exactly how it would work out. If we knew that we would only vote salaries up to the time the retirements would take place. Under our programme this year we estimate that we will abolish completely several positions and make a net saving of $25,000. Therefore we have taken that sum off our estimates.

Mr. BOYS: I would not prolong the discussion for one minute, so far as I am concerned, if the minister said that this will be saved by the abolition of positions, because if they are abolished of course we do not pay the salaries.

Mr. STEWART (Argenteuil): That is the only way we can abolish them.

Mr. BOYS: Is it based upon certain definite retirements, or is it a guess?

Mr. STEWART (Argenteuil): If we can get certain amalgamations through within a reasonable time and get our staff coordinated we can put those savings into effect. At all events, we cannot spend more money than

we are asking for, so we are taking the responsibility of reducing the estimate to this extent.

Mr. BOYS: That is done sometimes?

Mr. STEWART (Argenteuil): Yes, I favour this system very much. Sometimes we may not make the reductions in the direction we expected, but we have to make them before the end of the year in order to save the money. It is imperative in this case.

Mr. MEIGHEN: If you made it $125,000 it would be better.

Mr. STEWART (Argenteuil): I think my right hon. friend will admit that forty-nine reductions constituted pretty good progress last year, and I am prepared to go on in that direction.

Mr. MEIGHEN: What mystifies me is that this government shows reductions in all details, according to the professions of its ministers, but when you add the whole thing up it is the same as the year before.

Mr. STEWART (Argenteuil): It is not in this case.

Mr. MEIGHEN: I say that in the individual cases it is less. This will all appear, though, in some other items.

Mr. McQUARRIE: Is the department endeavouring to make this reorganization, or is it being done by the Auditor General? When the new Auditor General was appointed we were told that his principal duty was to reorganize the civil service through the Audit Board. So far as we can ascertain he has not done anything in that direction of any consequence. His salary was placed at $15,000 because he was supposed to have some special qualifications for this work, but so far as I can see that phase of his duties has been entirely dropped and the departments themselves are attempting reorganization—in perhaps an inefficient way, if we consider the results that are being obtained. Will the minister explain the system that is being followed in this connection?

Mr. STEWART (Argenteuil): I can only speak for my own department. One of the difficulties I found on coming to Ottawa was the location of the staffs in different places all over the city. The Lands branch, for instance, had its staff in three different buildings; now we have them all in one building, and that makes saving possible. With respect to the Auditor General, he has not appeared in our department up to the moment, although I should be glad if he would come in, because if someone not connected with any of the staffs would go into the matter some saving could perhaps be made. We have, however, been decreasing the numbers of our staffs year by year, and I think we are not losing anything in efficiency. There is an idea prevalent that the work that has to be done by the Department of the Interior must be decreasing. That is true to a certain extent with respect to surveys, but it does not apply to leases, details of homesteading, pre-emption sales and all the other ramifications of the department's activities. In respect to these branches I cannot see that very much reduction can be accomplished, but I am putting reductions into effect wherever they can reasonably be made.

Mr. McQUARRIE: What saving has been effected in the Lands branch?

Mr. STEWART (Argenteuil): I shall be glad to deal with that when we come to the vote providing for that branch.

Mr. GARLAND (Bow River): On page 78 of the estimates of last year the total number of employees for 1924-25 is given as 816; this year the total number of employees for 1924-25 is given as 817. The total amount voted was given in 1924-25 as $1,500,737, whereas in the 1924-25 column of this year's estimates it is given as $1,501,410. Will the minister explain that?

Mr. STEWART (Argenteuil): The explanation is that a matron was appointed whose salary was voted in the supplementary estimates; also a forest assistant. But there is nothing of the kind to be voted this year.

Mr. GOOD: Has the Civil Service Commission done anything to assist in the reorganization of the department?

Mr. STEWART (Argenteuil): All the reorganization is virtually in the hands of the Civil Service Commission. There is an officer of the commission in our department continuously, and he assists and makes recommendations to the commission, particularly with regard to any additions that are requested. The Civil Service Commission are not responsible for all the work, because we make the requests for the changes that are deemed necessary, and these are investigated and reported on by the officer to whom I refer. The recommendation of the Civil Service Commission must of course go with every move that is made.

Mr. GOOD: Then I understand that in this department the services of the Civil Service Commission have been utilized to effect what reorganization has been made?

Mr. STEWART (Argenteuil): Oh, yes.

Mr. BLACK (Yukon): Is provision made in this estimate for the salary of the gentleman who was formerly Gold Commissioner of the Yukon, Mr. Mackenzie, who, according to the minister, has been brought to Ottawa to assist in framing a policy for administration in the Northwest Territories along lines which will protect the natives and conserve wild life?

Mr. STEWART (Argenteuil): No; that is in the Northwest Territories vote.

Mr. GARLAND (Bow River): After last year's criticism, has the minister been responsible for undertaking any co-ordination of the survey work of the various departments?

Mr. STEWART (Argenteuil): We will come to that under another item.

Mr. GARLAND (Bow River): I am simply asking whether any attempt has been made to co-ordinate the surveys.

Mr. STEWART (Argenteuil): Yes. I will deal with it when we come to it.

Mr. BOYS: I notice there has been a reduction in this item of $63,868, and also in the number of employees. How many reductions are due to death, how many to superannuation and how many to dismissals?

Mr. STEWART (Argenteuil): Twenty-six positions have been completely abolished, and there are twenty-six more which up to the beginning of the fiscal year we were not sure would be required in the re-organization, but which we now know are not required; so we have fifty-two positions that are completely abolished. I cannot give my hon. friend details as to whether these men died or are retired, but there are fifty-two individuals whose positions have been abolished and we have created three new positions.

Mr. BOYS: I appreciate that, because twice 26 are 52, and 49 from that leaves a difference of 3, but what I am trying to find out is this: If a position is abolished and the clerk who has been filling that position receives employment in some other department, then as far as the country is concerned there is no saving. We were given to understand that there was going to be some re-organization and economy effected as the result of the appointment of the new Auditor General and the Audit Board, and I thought perhaps there would be some in this department; may be there are; I wanted to find that out. I would like to ascertain from the minister whether, when a position is abolished in his department, the officer holding that position is dismissed or whether he gets employment in some other department. If the latter is the case, and it applies in all the departments, the country makes no saving whatever as the result of these positions being abolished.

Mr. STEWART (Argenteuil): I would have some difficulty giving my hon. friend details, but I do not think any of these 52 went to any other department. A number of them have been retired, and we are constantly having resignations. I have no knowledge that any of these went into any other department. As a matter of fact, there was some controversy amongst the Civil Service Commission as to whether an individual who resigned or was retired or stepped out of one department was eligible for appointment in another department, and I do not think that has been entirely settled yet. I can say frankly so far as this department is concerned, that when the services of an individual are not required, if there is a vacancy in some other department, he certainly ought to be given the preference.

Mr. BOYS: Certainly.

Mr. STEWART (Argenteuil): But so far as I know, not one of these 52 has gone to any other department.

Mr. BOYS: If I rightly understand, when any civil servant is dismissed, it is always as a result of an order in council.

Mr. STEWART (Argenteuil): Yes.

Mr. BOYS: Then I would think the minister would know. There would be some record kept when such a formality as an order in council is required to get rid of a civil servant, and it ought to be easy to keep track of the number who are dismissed. Can the minister tell me whether or not there have been any dismissals brought about by order in council so far as his department is concerned?

Mr. STEWART (Argenteuil): Do we dismiss any individual?

Mr. BOYS: I do not mean for misconduct, but because you wanted to abolish the office, or for any other good reason.

Mr. STEWART (Argenteuil): I have no recollection of that. Of course, every change in the department is recorded by order in council, and the majority of these cases would be retirements or superannuation. Then we have a number of young women who get married—

Mr. BOYS: I would call that a promotion.

Mr. STEWART (Argenteuil): And we have individuals who leave the service for better positions, but as regards these 52 I have no recollection of any of them having been dismissed. These are voluntary retirements or superannuations, and when they step out the positions are abolished.

Mr. BOYS: I think the minister will appreciate what is in my mind, and if it is possible to get the information necessary, I would like to get it. If we want to find out to what extent the country has benefited by what is suggested, we must of necessity know whether these abolitions or retirements or dismissals put an end entirely to the employment of the individual, or whether he got employment in some other department. As I have already said, if the employee is simply transferred to another department, the country saves nothing by that whatsoever. The minister has been very fair. He tells me he does not recollect any dismissals or transfers. That is partly satisfactory, but I would think we could get this information without any difficulty whatever, because if a civil servant is dismissed for any reason an order in council is passed and a record is kept, and we ought to be able to find out how many dismissals there are and whether the employee ceases to be an employee of the government in any department.

Mr. STEWART (Argenteuil): I can recollect only one being transferred in my department, and that was not this year; I do not recollect a single transfer this year. When the services of a man are required in some department, a transfer may be effected, but that seldom happens. I think I can assure my hon. friend that these fifty-two are all out of the service entirely now, but I will verify this for my hon. friend later, and be glad to answer his question fully.

Mr. BOYS: That is the information I want.

Mr. HANSON: When a female employee marries, does she automatically leave the service?

Mr. STEWART (Argenteuil): Yes.

Mr. BOYS: Not always.

Mr. STEWART (Argenteuil): I do not know of any in my department.

Mr. STEWART (Humboldt): I believe we had a definite illustration of the consolidation of branches in the union of the Water Powers branch and the Reclamation Service. Can the minister give us the details of just what was saved in civil government expenses by the joining of these two branches, what staff was dropped, and what new positions were created?

Mr. STEWART (Argenteuil): I can give that information when we are dealing with Reclamation and Water Powers, which is a separate service from this. I will have a note made of the question.

Mr. McQUARRIE: I understand there was a good deal of controversy last year over salaries, and that a revision of salaries was brought in this year, and that many complaints have been received in regard to that revision. Would the minister say whether that applies to his department, and if so, how are those complaints being dealt with?

Mr. STEWART (Argenteuil): This salary revision, as my hon. friend knows, has only been out about ten or twelve days. It will be surprising if there are not complaints; there usually are, but so far none have reached me from the Department of the Interior, or indeed from any other department, and of course this department is affected just the same as any other.

Mr. HANSON: Could the minister tell the committee just what an economic adviser in this department is, and what services he performs?

Mr. STEWART (Argenteuil): The gentleman who filled that position was a Mr. Patton. As my hon. friend knows when the Conservation Commission was abolished the staff came to the Department of the Interior. Mr. James White, who has since retired, came for one, and Mr. Patton came with him. The latter was classified, I understand, under that head in the Conservation Commission, and performed in the Natural Resources Intelligence branch of our department the same service the next year. Mr. Patton is now, I believe, going to enter another branch of the service, the Finance branch. He will appear next year as a transfer; it will not be a reduction of the staff.

Mr. HANSON: Not in the same capacity.

Mr. STEWART (Argenteuil): Yes, in the same capacity.

Mr. McQUARRIE: What provision is being made to hear complaints of the civil servants in regard to salary revision?

The CHAIRMAN: The question is scarcely relevant.

Mr. McQUARRIE: The minister said, Mr Chairman, he anticipated complaints. As a matter of fact I have seen by the press, particularly the western press, that civil servants

are highly indignant at the salaries that have been fixed for them, they do not think they have been fairly treated at all. I presume those civil servants are entering complaints although, perhaps, the minister has not heard of any in his own department. The question I asked, Mr. Chairman, was what provision was being made, or has been made for the purpose of hearing and determining these complaints, if any?

Mr. STEWART (Argenteuil): My hon. friend will understand the government has not the particular authority to hear complaints. The Civil Service Act makes the Civil Service Commission supreme in these matters subject to the action of parliament. The government cannot very well take action without the consent of parliament, because the Civil Service Act puts the control of the civil servants into the hands of the commission. Of course the government must take the responsibility of acquiescing in the adjustment of salaries by the commission; my hon. friend knows that the only remedy provided by the act, in case of a grievance, is a recommendation to parliament. All these difficulties are occurring in every department, and the grievances are being heard every day. Sometimes they are adjusted by the Civil Service Commission and sometimes adjustment is refused; cases of this kind are happening continually. With respect to the Post Office Department my hon. friend will remember that last year we offered to give a hearing to the executive of the employees after the adjustments were all completed; and I noticed the other day—I only got this from the press, however—that the hon. the Postmaster General (Mr. Murphy) is having a meeting with the executive to discuss what they claim is a grievance so far as they are concerned. But under the act the only remedy for the government, if they wished to overrule a finding of the Civil Service Commission, would be to make a recommendation to parliament and have parliament pass on it.

Mr. McQUARRIE: Is there going to be any special committee this year with regard to the civil service?

Mr. STEWART (Argenteuil): Well, the promise referred to was made to the executive of the employees of the Post Office Department. My hon. friend will remember that during the controversy that was one of the features of the case. We asked the executive to delay any drastic action until the adjustments were all made, and then, if they still felt they had a grievance, we would listen to the recommendations which they might make.

Mr. McQUARRIE: That would be a committee of the government?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: But there is no committee of the kind I referred to in existence at the present time?

Mr. STEWART (Argenteuil): No.

Mr. McQUARRIE: That is the question I was asking, whether it was the intention of the government to have any committee of the kind this year?

Mr. STEWART (Argenteuil): I cannot answer that question.

Mr. BLACK (Yukon): Could the minister tell us why the International Boundary Commissioner is dropped from the estimates?

Mr. STEWART (Argenteuil): As my hon. friend knows Mr. McArthur is dead, and the duties he performed have been combined with those of the Director General of Surveys who now takes charge.

Mr. BLACK (Yukon): Would the minister explain to the House what is meant by "exploratory engineer?" I see there are some twelve or fifteen different kinds of engineers mentioned in these estimates, and I should like to understand what an "exploratory engineer" is?

Mr. STEWART (Argenteuil): Since the abolition of the Conservation Commission we have had one or two engineers whose business it is to assist the municipalities in making a survey of their conditions. For example Mr. Kitto is one of the officers who perform this particular line of work. It is largely to supply them with industrial information, to give them advice if they ask it; it is only done upon request. For example this official was in Winnipeg a short time ago making a survey there for that purpose, and advising the city council on matters largely industrial. These officers came over from the Conservation Commission.

Mr. BLACK (Huron): Is that work done at the expense of the city?

Mr. STEWART (Argenteuil): No, it is done at our expense.

Mr. McQUARRIE: May I ask how the travelling expenses are dealt with? Is there a certain per diem allowance provided, or do the officers concerned put in claims for expenses at the end of their journey when they return to Ottawa? What restrictions or what supervision is there in regard to travelling expenses, to see that the amounts charged are right and proper?

Mr. STEWART (Argenteuil): With the exception of a man who is going outside of Canada when by order in council his per diem allowance is fixed, he has to render a certified account for his expenses.

Mr. McQUARRIE: Is there any limit to the expenses an official may incur? If he is travelling from here to Vancouver can he take a compartment, if he wishes, on a train, or is he limited in the matter of expenses? As I understand it in some of the provinces—I think, for example, in Alberta—they have found it advisable to put a curb on the travelling expenses of civil servants, and the employees themselves find it more satisfactory to have a per diem allowance; it costs the country less and the civil servants are better satisfied to have it that way. I think I mentioned this matter last year and the minister said he knew something about the system, that he was watching it, and that he would give it a trial, or something of that kind. I am told it worked out very satisfactorily in Alberta; and it has been suggested to me that the same system might be applied to the services of the Dominion, with a saving to the country and also, perhaps, with more satisfaction to the employees themselves. That is the point I am raising. Under the present system, as I understand it, a man goes off on a trip, comes back, puts in his bill for expenses and the bill is paid. There is practically no restriction as to what expenses he may incur as long as they are considered to be in reason. There is no attempt at economy whatever. Apparently the government is satisfied to allow things to go along in the same old way, making no effort toward economy. Could the minister tell me if this point has ever been considered by this government, and if so what conclusion has been arrived at and what were the reasons for such conclusion?

Mr. STEWART (Argenteuil): Usually most people would prefer to travel on a per diem allowance, because that per diem allowance must be sufficiently large to cover their expenses. They get an allowance sufficient to provide for reasonable accommodation, and we have a very close check upon these accounts, which are checked by our own auditors and our own accountants, in our own department, and rechecked by the auditor. As I am a member of the Treasury Board, I know pretty well that there is not very much leeway. In addition to that, these accounts must be certified. If I were to give my candid opinion I would say that we save money by asking for the return of the vouchers for the accounts and by the careful checking that goes on. I will mention one instance. We have a good many removals, running into a considerable sum of money. These come before the Treasury Board and we have any number of them on every occasion on which the Treasury Board meets. We find that by careful checking we have been able to cut the removal expenses very considerably. I am not taking any credit, but I want to point out to hon. gentlemen that these accounts are scrutinized, because there is of necessity a great deal of travelling in the service, for that reason we have a careful check on all the accounts for travelling expenses.

Mr. McQUARRIE: Does this item of $32,000 include all the travelling expenses in the department for the year?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: Then we have travelling expenses and sundries. How much is for travelling expenses and how much is for sundries?

Mr. STEWART (Argenteuil): It is estimated that a sum of $22,000 will be required to meet the expenses of officials at Ottawa, permanent or temporary, who may be travelling on government business, and an amount of $10,000 will be necessary to cover the expenses such as telegrams, postage, subscriptions to newspapers, express charges, and other items relating to the inside service of the department at Ottawa.

Mr. McQUARRIE: Then does the item above that, printing and stationery, relate to printing and stationery outside of the Printing Bureau?

Mr. STEWART (Argenteuil): The Printing Bureau charge us for that work. Nothing goes outside.

Mr. McQUARRIE: Nothing at all goes outside?

Mr. STEWART (Argenteuil): No, that is for index books for the Registration branch, land patent record books, special paper for patent printed form, purchase of typewriters and supplies and stationery required for the general use of the inside service at Ottawa.

Mr. McQUARRIE: There is no outside printing at all in this particular branch of the department?

Mr. STEWART (Argenteuil): No.

Mr. McQUARRIE: No advertising or anything of that kind?

Mr. STEWART (Argenteuil): No.

Mr. HANSON: The minister spoke of employees being transferred from the Conservation Commission to his department. Could he tell us how many of the 817 employees were transferred from the Conservation Commission, how many are left now, and how long before they will be out of the service? This service I understand has been done away with and the Conservation Commission abolished practically.

9 p.m.

Mr. STEWART (Argenteuil): No, that is not correct. Part of the service is being continued in the Natural Resources Intelligence branch of the service, but these employees were in the department when I came here. I cannot tell when they were transferred.

Mr. HANSON: How many of the 817 were from the Conservation Commission?

Mr. STEWART (Argenteuil): I cannot tell how many came over, it was before my time and we have not a record of the names. It would be very difficult for me to tell, except as to two, Mr. White and Mr. Patton. Mr. Patton is still with us and will be exchanged; Mr. White is retired. I cannot tell my hon. friend how many of that particular group are still in the service.

Mr. BAXTER: I do not wish to delay the item, but this seems a good opportunity to ask for something in which I feel a little interested and possibly the matter may be dealt with in some publication. If so I want to see it. I am not objecting to what we are spending for this astronomical research work, but I would like to know the results we are getting from it. Have any discoveries been made or any works carried out that are of practical benefit? I do not mean to criticize if they are of practical benefit, but at the same time I would like to know what the relation is between what we get and the money we spend.

Mr. STEWART (Argenteuil): I am afraid you have given me a rather difficult question to answer. As a layman I frankly confess that I have not any doubt that the service is a valuable one to the country, but as a layman I would have considerable difficulty in explaining the value to my hon. friend. We spend a good deal of money on the service and no doubt the investigations are valuable. but just to put it in a concrete way, would be very difficult. However, when the vote comes up I will get that information.

Mr. McQUARRIE: I see provision made here for four editors, grade 1, at $2,400 per annum or a total of $9,600. What are their duties?

Mr. STEWART (Argenteuil): We get out a Natural Resources Intelligence Monthly to advertise the natural resources of the country, new discoveries of mineral wealth, and so forth. Our reports must be put in the hands of someone competent to take care of them and he is called editor. I do not want to be responsible for all these titles; I am merely stating the duties they perform.

Mr. HANSON: There are also two publicity agents. What are their duties?

Mr. STEWART (Argenteuil): We have Mr. Campbell now at Wembley. The business of these men is to advertise the scenic beauties of Canada, to encourage the tourist traffic. That is all they do.

Mr. HANSON: I suppose the minister knows that the Canadian National Railways have a bureau which is doing the same thing. Do they work in co-ordination with these publicity agents of his department or do they work on their own hook?

Mr. STEWART (Argenteuil): The Canadian National and the Canadian Pacific both maintain services of this kind, and although the Canadian National Railways belong to the country, Mr. Campbell does not advertise them particularly; he is trying to induce people to come to Canada rather than to go to Europe to spend their wealth while travelling. We are bombarded by boards of trade all over the country to assist them in advertising campaigns and I think the time has nearly come in Canada, in view of the increasing importance of the tourist business here and the large amount of money it is bringing into the country, when there should be some co-ordination throughout the Dominion. For example, I think the city of Vancouver spends thousands annually in advertising. I am not complaining about that of course, but I cannot help feeling that great good would result from such co-ordination as exists in connection with fire fighting and better methods of forest conservation and preservation. Something of this kind in relation to the tourist business would help materially.

Mr. HANSON: I am inclined to agree with the minister. I realize the value of the tourist business of this country and I am not criticizing in the slightest degree the expenditure under this head. There is no doubt that tourists along the Atlantic and in the mountains leave millions of dollars here which otherwise would not come to Canada. In New Brunswick we have a provincial tourist

association and the city from which I come maintains a tourist bureau. The same is true of all the principal centres in the Maritime provinces. I think it would be an excellent idea to have some co-ordinated effort to prevent the enormous over-lapping that now exists.

Mr. LADNER: In line with the minister's remarks as to co-ordination in tourist advertising for the purpose of inducing tourists to come to Canada, the publicity bureau at Vancouver in charge of Mr. Davidson submitted such a proposal to the government. Other tourist organizations in the various cities throughout the country are also interested in this matter; and the suggestion is that the government, in formulating a policy in this direction, as well as contributing to its upkeep, should aim at an advertising campaign that would be nation-wide rather than sectional. The idea should be for example that the bureaus of Ontario while participating in a nation wide policy would also try to induce tourists in the United States adjacent to Ontario to come to that province, and similarly the people of British Columbia would endeavour to bring tourists to British Columbia. I might tell the minister that, contrary to his idea, the city of Vancouver is not working in isolation; it has established a practical policy of co-ordination, having joined with the states of Oregon and Washington, under what was known as the Pacific Northwest Tourists' Association, in an extensive advertising campaign through the medium of hotels and otherwise to induce thousands of citizens to come from California and the middle states up to Portland, Seattle, and Vancouver. British Columbia and the two American states are treated as one territory for this purpose. I think the minister might profitably inquire into the results of this practical scheme. If he does he will find that it has been eminently satisfactory and has brought into British Columbia many thousands of tourists who otherwise would never have gone there. Did the minister not receive a proposal of this kind some time ago, and in view of his remarks would he not be disposed to take the initiative in bringing together the advertising bureaus of the cities of Canada and other interested organizations to carry out such a policy as he has suggested to-night?

Mr. STEWART (Argenteuil): I have memoranda from Mr. Davidson on the subject and I had the pleasure of a visit from him last year and this year as well. We are preparing to put on what will be more or less a week of broadcasting for the purpose of getting tourists to come to Canada right across the country. Our difficulty is that we must be extremely careful about our advertising, and that is why co-ordination appeals to me. I say frankly that so far we have done very little advertising in the way of newspaper or pamphlet publicity in the United States. We have contented ourselves with sending lecturers throughout the country at important points where large gatherings could be got together. These people have lectured on the scenic beauties of Canada, not emphasizing any particular part of the country; and the intensive local work has been carried on by organizations such as that maintained at Vancouver. The results have been splendid. I am quite prepared to take the initiative in getting together all the forces to see whether we cannot co-ordinate the efforts of the railways, the municipalities and the government in a drive to secure tourists. There may not be over-lapping at the moment but there is a possibility of some duplication with all the separate units working independently.

Mr. LADNER: I have had occasion to go into this matter in detail, having been connected in a professional way with a very large organization, the Brewster Transport Company at Banff, as well as with the Terminal City Motor Company and Triangle Tours at Vancouver. I am also acquainted with the activities of other organizations. I know that those men connected with the tourist business who have made a great success advertise the tourist features in a scientific way. This method does not appear to be followed by the government agencies. Experts in the tourist business do not give lectures. They ascertain when any organization is making arrangements for a convention, they send representatives to the chairman of the committee which has to do with selecting the convention city, and these representatives are provided with a plentiful supply of maps, photographs and other information, which they lay before the chairman of the committee. In a word, they are expert salesmen of our natural beauties, and they are very successful in bringing conventions to our cities. As a result of their efforts the tourist traffic across Canada in prospect next year, from information I have gathered, which has been confirmed by our railway executives, is simply tremendous. For instance, in one day alone 2,200 people will visit Banff and Lake Louise. These tourist organizations co-operate with the railways in securing this business. My suggestion is that the publicity bureau at

Vancouver and other cities be called upon to co-operate with the railway organizations which desire to get business for their railways. I would urge upon the minister the wisdom of the government taking the initiative in this work and not continuing its policy of drifting, because the tourist traffic means millions of dollars every year to Canada and to British Columbia. No doubt the minister has the data in his files, and if he studies it he will be surprised at the amazing advantages which are derived from practically no capital investment through inducing hundreds of thousands of people to visit the Dominion every year, for they leave a large amount of money behind them and spread a knowledge of Canada throughout other lands.

Mr. ROBINSON: It seems to me that the government should adopt some general policy rather than a local one which might benefit only certain portions of the Dominion. Does the hon. gentleman suggest that the government deal with it locally?

Mr. LADNER: I was simply suggesting that the government should call together the people who understand the business of inducing tourists to visit our cities; in other words, that it should take the initiative and encourage those engaged in the business by intimating that the government will participate with them financially in working out a policy that would be of national advantage.

Mr. CASGRAIN: Is any publicity carried on for the province of Quebec, and especially for the county which I have the honour to represent in this House, a county in which is situated the great summer resort of Murray Bay? Also, is any of this publicity work carried on in both languages, and particularly in the French language?

Mr. STEWART (Argenteuil): The government advertises the whole Dominion without specifying any particular locality.

Mr. CASGRAIN: That is a mistake.

Mr. MacLAREN: Perhaps the minister would inform us if these publicity agents organize the parties of tourists which from time to time visit this country from the United Kingdom. Three large parties of teachers from the United Kingdom will visit Canada this year. Hitherto such parties always begin their tour at Quebec and proceed westward. Now, we do not wish to convey to these teachers a wrong geographical impression of this country, and it would be rather unfortunate if they imagined for one moment that the Dominion begins in the east in the city and province of Quebec. I would suggest to the minister that whether his publicity agents organize these parties or not, he should send them a true map of Canada, so that intending tourists may obtain a correct geographical idea of the Dominion, and thus begin their tour further east than Quebec before proceeding westward through that province and the other fine portions of the Dominion. I am satisfied that his publicity agents need this point drawn to their attention. I do not say that this ignoring of the Maritimes is deliberate, rather it is a habit with these people, and there are many instances of it in other departments, but I think the minister can help the situation materially by taking action along the lines I have suggested.

Mr. McQUARRIE: What system of distribution is adopted with respect to the publications which are got out by the four editors?

Mr. STEWART (Argenteuil): We have a mailing list and are glad to send the publications to anybody who applies for them. This list is steadily growing. My hon. friend will notice that many of the articles in the Natural Resources Intelligence Monthly are quoted very largely by the press throughout Canada. A notable instance is Toronto Saturday Night, which my hon. friend will agree is a very important journal.

Mr. McQUARRIE: Have you some system in making up the mailing list, or is the work done in a blind way that does not really accomplish anything?

Mr. STEWART (Argenteuil): If, for example, an individual asks for a copy of the Natural Resources Intelligence Monthly, we put him on the mailing list. We treat him in a sense as an interested party.

Mr. McQUARRIE: You do not send the publications to people who do not happen to ask for them?

Mr. STEWART (Argenteuil): We do not.

Mr. McQUARRIE: I understand that the minister does not use the newspapers or the magazines for advertising purposes; he relies on his lecturers, of whom he has two, and on these publications, which are sent out by his department to people who ask for them. Has he ever considered the question of a more extensive distribution of these publications, some of which contain very valuable material?

Mr. STEWART (Argenteuil): In former years these publications were sent out indiscriminately and many of them were seldom

if ever read. Now we send them out to those who are interested in them. The circle of distribution is constantly enlarging, and we know that those we do send out are read and appreciated.

Mr. McQUARRIE: I agree that indiscriminate distribution would not produce results, but to distribute only to those who request them is not enough. The object, I take it, is to interest people in Canada, people who perhaps are not thinking about Canada at all. You will never get them with this system, or this lack of system. Are these publications distributed outside of Canada?

Mr. STEWART (Argenteuil): Yes—to the United States, for instance, to England, to the continent.

Mr. McQUARRIE: Are they printed in both French and English?

Mr. STEWART (Argenteuil): Yes.

Mr. BOYS: How many are on the mailing list at present?

Mr. STEWART (Argenteuil): I have not that information before me but I will get it.

Mr. McQUARRIE: I notice that there are three senior photographers and three photographers. What do they do?

Mr. STEWART (Argenteuil): They do work connected with the aerial surveys, natural resources and intelligence, and the observatory.

Mr. HANSON: I notice that all these departments have a departmental solicitor, and at the same time we have an expensive Department of Justice in which there are half a dozen good lawyers. Is it really necessary for every department to have a lawyer of its own?

Mr. STEWART (Argenteuil): In our department we need a great deal of legal advice. For instance, we handle about 5,000 leases annually and it is well to have these carefully scrutinized by a lawyer to ensure that they shall be in proper form. But there is no reason why that work could not be done in the Justice department, and I am ready to transfer every one we have to that department. I agree that all the solicitors could very well be under the Department of Justice, and that is one of the things I would like to see put into effect as soon as possible.

Mr. McQUARRIE: There are three confidential messengers in this list at $1,200 each. I notice that the Finance department which might be expected to need messengers of this kind, has only one. What are the duties of a confidential messenger?

[Mr. C. A. Stewart.]

Mr. STEWART (Argenteuil): They are really not confidential messengers at all. We have reduced the number by one, and we may be able to reduce them by two more as soon as we can get our staffs so situated that we shall not be constantly carrying files from one building to another. I do not know why they are called "confidential". There is one old gentleman in my outer office who, I presume, might be called a confidential messenger; he is a very valuable old gentleman who has seen long service.

Mr. McQUARRIE: What is the difference between the three grades of messengers—confidential messengers, senior messengers and messenger clerks?

Mr. STEWART (Argenteuil): I am afraid that is a poser; I do not think I could give the distinction. I presume one of them does clerical as well as messenger work.

Mr. McQUARRIE: They would not be confidential messengers, then?

Mr. STEWART (Argenteuil): I do not think any of them come under the category of confidential. I never send any of them on confidential messages.

Mr. BOYS: Reverting to what I was discussing with the minister perhaps half an hour ago, I notice that there were five astronomers last year, and there are only four this. Has the staff of astronomers been actually reduced by one? I should think that is perhaps a service that would either hold its own or expand.

Mr. STEWART (Argenteuil): My experience with it is that it has been expanding all the time.

Mr. BOYS: Then if you had five before, and five were needed, I do not quite see how the research work of this branch can be carried on with only four, and I was wondering if the work that was done by the fifth man is being done by some other officer, or how the minister accounts for the reduction.

Mr. STEWART (Argenteuil): Mr. Young of the observatory at the coast has resigned, and we are not filling his position.

Mr. BOYS: Is he the only astronomer at the coast?

Mr. STEWART (Argenteuil): No, Mr. Plaskett is in charge at the coast.

Mr. BOYS: Has there been any increase in the staff below the astronomers? My point is this: If you required five to carry on the work before, you cannot carry it on efficiently with one less.

Mr. STEWART (Argenteuil): It may be accounted for by the fact that the work is being carried on by a junior to Mr. Young, who is not filling Mr. Young's position; that is, we have not increased his salary to that extent.

Mr. BOYS: He will not be called an astronomer?

Mr. STEWART (Argenteuil): I can only say that I am asking for reductions only to the extent that they can be made without injuring the service in any way.

Mr. BLACK (Yukon): What are the duties of the Chief of Wild Life?

Mr. STEWART (Argenteuil): My hon. friend is aware that we have a treaty with the United States for the preservation of bird life, and that it is necessary to have officials to carry out those duties. This official is in charge of that particular work, the preservation of wild life.

Mr. BLACK (Yukon): Is there a staff in connection with this work, and if so how are they provided for?

Mr. STEWART (Argenteuil): My hon. friend will have noticed that we put through an amendment the other day by which we are enlisting the services of the provincial game guardians in this work. It is simply another case of trying to co-ordinate all the work that is going on in the preservation of wild life under an official in charge here at Ottawa.

Mr. ROSS (Kingston): I see there is provision for a Director of Forestry. Is that a separate branch from the department? Is it working in connection with any other department? What is the work being done by this Director of Forestry?

Mr. STEWART (Argenteuil): We have the forests in the three prairie provinces and in the Dominion land belt in British Columbia to look after. The duties of the Forestry branch are to preserve the timber resources, and that branch is headed by the Director of Forestry. Mr. Campbell who occupied that position has retired, and Mr. Finlayson has recently been appointed to the position.

Mr. ROSS (Kingston): Will the minister be kind enough to give details of the work that is being done by that branch?

Mr. STEWART (Argenteuil): Perhaps my hon. friend would wait until we are dealing with the forestry item, because I shall undoubtedly have to give all the details again on that item.

Mr. ROSS (Kingston): When we take up that item, would the minister be good enough to have a detailed statement of what is being done by this branch, and as to whether there is a general forest conservation system throughout the country?

Mr. STEWART (Argenteuil): Yes.

Item agreed to.

Progress reported.

CANADA—FINLAND TREATY OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 128, respecting trade between Canada and Finland.

Motion agreed, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—short title.

Mr. BAXTER: I think the hon. minister was to give some further statistics when we went into committee, and I would suggest that that might be done now.

Mr. ROBB: Yes, Mr. Chairman. I laid on the table at three o'clock the information that was asked for. It was not statistics in connection with this bill, but in connection with another bill, but there was some correspondence which the right hon. leader of the opposition asked for, and which I laid on the table at three o'clock.

Section agreed to.

Sections 2, 3, 4 and 5 agreed to.

Bill reported.

CANADA-NETHERLANDS CONVENTION OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 129, respecting a certain trade convention between His Majesty and the Queen of the Netherlands.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Gordon in the chair.

Section 1 agreed to.

On section 2—Convention approved.

Mr. MEIGHEN: This is the treaty where we get nothing and make a few concessions for fear that we will get worse.

Section agreed to.

On section 3—Extension of advantage to the Netherlands.

Mr. MEIGHEN: What is meant by "any foreign power"? Does that include any part of the British Empire?

Mr. ROBB: No, that would not include any part of the British Empire. That would be any other country.

Mr. MEIGHEN: Well then, they can give to the other dominions and to Great Britain better terms than to us?

Mr. ROBB: No.

Some hon. MEMBERS: Carried

Mr. MEIGHEN: The hon. member for Pontiac (Mr. Cahill) wants it carried. Does he know what bill it is?

Mr. CAHILL: Better than my right hon. friend did. He has been looking round for the bill and now that he has it I doubt whether he knows yet what it is about.

Mr. MEIGHEN: I am not asking to have it carried.

Mr. BOYS: Will the hon. member for Pontiac explain the bill for us?

Section agreed to.

Sections 4 and 5 agreed to.

On the schedule.

Mr. MEIGHEN: The schedule is the important part if there is anything important in the bill. Now we come to the expression "foreign country". Article 1 reads as follows:

> Articles the produce or manufacture of Canada imported into the Netherlands and articles the produce or manufacture of the Netherlands imported into Canada shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country.

Now, the question I put before is pertinent. Unless that is modified in the remaining part of the article it would mean that the Netherlands could give to the other parts of the British Empire treatment better than to us. I read further:

> Nor shall any prohibition or restriction be maintained or imposed on the importation of any article the produce or manufacture of Canada into the Netherlands, or of any articles the produce or manufacture of the Netherlands into Canada which shall not equally extend to the importation of like articles being the produce or manufacture of any other foreign country. This last provision is not applicable to the sanitary and other prohibitions occasioned by the necessity of protecting the safety of persons or of cattle, or of plants useful to agriculture.

So that there is no doubt the Netherlands are left free to make their tariff better for any other dominion or for Great Britain than for us.

[Mr. Meighen.]

Mr. ROBB: I do not so understand it.

Mr. MEIGHEN: I would be sorry if, besides the member for Pontiac and myself, the minister does not understand it.

Mr. ROBB: I think my right hon. friend has interpreted the article wrongly. I think it makes it distinctly clear that we have the most favoured nation treatment.

Mr. MEIGHEN: Yes, but what about the words "foreign country?"

Mr. ROBB: If my right hon. friend will read the article again he will observe its meaning.

Mr. MEIGHEN: I know what it means; it is a matter of what the words "foreign country" mean:

> Articles the produce or manufacture of Canada imported into the Netherlands and articles the produce or manufacture of the Netherlands imported into Canada shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country.

Now then—

Mr. ROBB: Any British country is a foreign country to the Netherlands. My right hon. friend will agree to that.

Mr. MEIGHEN: Is the minister quite sure of that? What is meant by a "foreign country?"

Mr. ROBB: The Netherlands is a foreign country to us. Neither Great Britain nor any of the British dominions is foreign to us; we are all in the same class.

Mr. CALDWELL: I would take it that the wording would allow us to give Great Britain, or any of the British colonies a preference over the Netherlands.

Mr. MEIGHEN: I do not doubt that.

Mr. CALDWELL: But I do not take it that the article would allow the Netherlands to give Great Britain or any of the British colonies a preference over Canada, because Great Britain, or any of the British colonies, is a foreign country to the Netherlands the same as we are; while neither Great Britain nor any of the British colonies is a foreign country to us. I think the article preserves the right of Canada to give Great Britain or any of the British colonies a preference over the Netherlands; but it would preclude the Netherlands from giving either Great Britain or any of the British colonies a preference over Canada. That is my view of it, although I may be wrong.

Mr. BOYS: Does not the minister contend that "foreign country" as used in article 1 means every country other than Canada? Because this is an agreement between the Netherlands and Canada, and as the minister has said Great Britain is a foreign country to the Netherlands; and if it applies as a foreign country to the Netherlands, one of the parties to the treaty, it surely must apply as a foreign country to the other party to the treaty, unless there is a reservation.

Mr. ROBB: My right hon. friend and the chief whip of the Conservative party are good lawyers. Well, I will read it this way to see if it is not quite clear:

Articles the produce or manufacture of Canada imported into the Netherlands shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country.

Mr. BOYS: I quite agree with the minister there. The difficulty is, this is an agreement between two countries, and you cannot put an interpretation upon certain words in that agreement which interpretation will mean one thing when applied to one of the parties and a totally different thing when applied to another of the parties; and "foreign country" as used there it does seem to me applies to every country other than Canada in the one case and other than the Netherlands in the other. Therefore, in that sense, Great Britain would be a foreign country to Canada for the purposes of this article. If the minister reads it I think he is bound to come to that conclusion.

Mr. ROBB: Not at all.

Mr. BOYS: Let me see if I cannot make the point clear. The minister admits that Great Britain is a foreign country so far as the Netherlands is concerned. I think that is admitted, I think the minister has said that.

Mr. ROBB: Yes.

Mr. BOYS: Well then, let us again state that this is an agreement as between two parties. If this foreign country means Great Britain, so far as the Netherlands is concerned, how can it mean anything else in the same agreement between the same two parties when applied to Canada? And if the intention is that it should, there should be some reservation.

Mr. ROBB: The article appears quite clear to me. In the first place it says:

Articles the produce or manufacture of Canada imported into the Netherlands shall not be subjected to other or higher duties or charges than those paid on the like articles, the produce or manufacture of any other foreign country.

Mr. BOYS: Read it the other way.

Mr. ROBB: Reading it the other way:

Articles the produce or manufacture of the Netherlands imported into Canada shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country.

Mr. BOYS: Foreign country would include Great Britain.

Mr. ROBB: No.

Mr. MEIGHEN: That is the difficulty the minister is in. I think if he will look at other treaties of the same kind he will find an express reservation which apparently has been neglected here. If the words "foreign country" were used in relation to ourselves alone, the minister would be right, but he cannot say to the Netherlands, "Those words mean one thing to us, but they mean another thing to you," and without an express reservation the minister has got himself bound to either one of two things.

Mr. ROBB: No.

Mr. MEIGHEN: Either he has to give the Netherlands the same treatment as he gives Great Britain, or the Netherlands will be free to give Great Britain better treatment, the same as we are free to give Great Britain better treatment—one or the other.

Mr. ROBB: No. My recollection is that this was referred to the Justice department. and if my hon. friend has any doubt as to the definition of it, I am prepared to let the measure stand and again refer it to the Justice. department, but my own mind is quite clear.

Mr. BOYS: It is not so much a doubt as to the definition, it is as to the application. What I cannot understand is how the minister can think that when these two countries are parties to the agreement, and in the body of that agreement the words "foreign country" are used, that in the one instance "foreign country" as applied to the Netherlands would refer to Great Britain, but although used in the same agreement, applying also to Canada, with no distinction, with no reservation, he would put a totally different interpretation on the words as applying to Canada.

10 p.m.

Mr. BAXTER: The effect of the treaty is that it is understood that in all matters governing the import, export and transit of merchandise the Netherlands grants to Canada, and Canada grants to the Netherlands the treatment of the most favoured nations. What does the word "nation" mean there? It does not simplify matters and does not

solve the difficulty at all to tell us it has been before the Justice department. The department has no standing such as that of a tribunal which can deliver a judgment and force people to accept it. The Department of Justice merely expresses an opinion and it may be correct or it may be incorrect. But the opinions expressed in this House are quite on a par with those expressed by the Department of Justice.

Mr. CALDWELL: In one point of view, England is not a foreign country to Canada; but at the same time, by reason of the fact that this language is used in the one sentence without even a comma, I think it might be advisable for the minister to let it stand and consult the Justice department, in view of the discussion which has taken place to-night, and make sure of the point, because it might be a serious matter if this interpretation should be as the leader of the opposition seems to think it is. Personally, I do not agree with him but I am not a lawyer and I do not want to pass a legal opinion on it, but I think the minister might be well advised to let it stand.

Mr. MEIGHEN: The minister negotiated this treaty himself, did he not? Did he make it clear to the Dutch negotiators?

Mr. ROBB: Quite.

Mr. MEIGHEN: It is certainly doubtful enough to warrant a confirmation. I would not like to hold up the treaty, although it is not a very important one, but I would suggest that the minister confirm that interpretation by cable, and that would be far more important than the opinion of the Department of Justice or the opinion of anyone. Being a treaty between nations, it is not really a legal point. It is just a question of what a reasonable man reading it would likely take out of it. I fancy too that two out of three would say that what is a foreign country to one is a foreign country to the other in the same treaty, and the minister would be very well advised to get the interpretation he puts on it confirmed by the government of the Netherlands by cable, because it would be extremely serious if we bound ourselves, without any concession, to give to Holland and the Dutch colonies the British preference right off or any other preference we ever give Great Britain.

Mr. ROBB: I would not like to go so far to say that we are going to re-open this with the Netherlands, but on Thursday when the matter was before the House objection was taken to this bill on the ground that it did not clearly define whether or not the goods should come in through Canadian ports, and I promised then to refer it to the Justice department. I have here the report of the Justice department, and reading it over, it makes it pretty clear. The report reads:

Department of Justice,
Canada.

Ottawa, 16th May, 1925.

Re: Convention of Commerce between Canada and the Netherlands

Dear Sir:

Referring to my interview with Mr. Russell and Mr. Viets of your department, regarding the question which arose in a discussion in the House, reported at pages 3181 and 3182 of Hansard of the 14th May, 1925, I beg to advise you as follows:

By Article XIV of the Convention of Commerce between Canada and France, 1922, it is provided that:

"To enjoy the benefit of the tariff advantages provided for in the foregoing articles products originating in and coming from France, the French colonies, possessions and protectorates shall be conveyed without transhipment from a port of those territories or from a port of a country enjoying the benefit of the preferential or intermediate tariff into a sea or river port of Canada.

Reciprocally to enjoy the benefit of the tariff advantages provided for in the foregoing articles the products originating in and coming from Canada imported into France, the French colonies, possessions and protectorates shall be conveyed direct from a Canadian port without transhipment in any country that does not enjoy the said tariff advantages.

Provided, however, that nothing in this article shall exempt the product of either country from any surtaxe d'entrepot that is now or hereafter may be imposed on products imported indirectly."

In the subsequent convention made with Italy in 1923, and in the present convention with the Netherlands, no similar clause is to be found, but it is provided by Article I of both conventions as follows:

"Articles the produce of manufacture of Canada imported into the Netherlands and articles the produce of manufacture of the Netherlands imported into Canada shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country. Nor shall any prohibition or restriction be maintained or imposed on the importation of any article the produce or manufacture of Canada into the Netherlands, or of any articles the produce or manufacture of the Netherlands into Canada which shall not equally extend to the importation of like articles being the produce or manufacture of any other foreign country. This last provision is not applicable to the sanitary and other prohibitions occasioned by the necessity of protecting the safety of persons or of cattle, or of plants useful to agriculture."

As I interpret this provision, it clearly means on the one hand that articles the produce or manufacture of the respective countries shall not be subjected to other or higher duties or charges than those paid on the like articles the produce or manufacture of any other foreign country, and that on the other hand either country is free to impose any prohibition or restriction on the importation of such articles if such prohibition or restriction equally extends to the importation of like articles being the produce or manufacture of any other foreign country. Having in view these provisions, and the fact that both countries understand that the purpose of the convention is to extend to each other what is known as most favoured nation treatment, I see no

reason to doubt that Canada has the right to impose the same prohibitions or restrictions under the present convention as were imposed in the convention with France above referred to, and which are in fact imposed with respect to all foreign countries enjoying most favoured nation treatment. If, therefore, appropriate legislative sanction exists for the imposition of any such prohibition or restriction, I think that no difficulty with the Netherlands will arise. Inasmuch as the provisions of article I of the convention above quoted clearly indicate that the intention of the convention was to permit the imposition of prohibitions and restrictions of the kind mentioned, I think that if clause 4 of the bill approving the convention be enacted as drawn, it will constitute sufficient legislative sanction for the making by the Governor in Council of such orders and regulations as are deemed necessary to put such prohibitions or restrictions into effect. I understand that a similar clause was incorporated in the bill relating to the convention between Canada and Italy, 1923, and I would not, therefore, vary the wording of the clause if it can be avoided.

The above remarks apply as well to the convention with Finland.

Yours truly,

W. STUART EDWARDS,
D. M. J.

I think that makes it pretty clear that we are safeguarded.

Mr. MEIGHEN: I am not taking exception to the deputy minister's opinion but I want to point out to the minister that in his resolution as he introduced it there was not included a full statement of article 1 and of the reservation contained in the second sentence here:

Nor shall any prohibition or restriction be maintained or imposed on the importation of any article the produce or manufacture of Canada into the Netherlands, or of any articles the produce or manufacture of the Netherlands into Canada which shall not equally extend to the importation of like articles being the produce or manufacture of any other foreign country.

That is the restriction on which the deputy minister relies and, I fancy, relies correctly. What the minister said before was that merely because it was in the French treaty we could therefore apply it to the Netherlands. But it would not apply at all. It is in the French treaty, and the only importance it has is this, that if it were not in the French treaty we could not apply it here, notwithstanding this second sentence. But because the second sentence appears, then, it being in the French treaty, we can apply it to the Netherlands. If the minister had the second sentence in his resolution there would be no question at all in the House and he would not have had to go to the Justice department. This is a matter where Holland is bound to consider Great Britain, in relation to trade matters, a foreign country as respects Canada. If I were in a court I would rather have Holland's end of the case. In so far as Canada is concerned, in her trade matters one country is as foreign to her as another. Holland could very well say to us, "We are dealing with you alone in matters of trade, and if you are going to give a preference to one nation you must give it to us. We are not concerned with your internal relations."

Mr. BAXTER: The minister will remember that in recent years it has not been infrequent in certain quarters to emphasize the fact that Canada is a nation. I am not finding any fault with that; but having laid the fact down in such emphatic terms, when we read the word "nation" in a convention of this character it must surely have the meaning we have been attaching to it; and if Canada is a nation Australia is equally a nation. Is it really the opinion of the government that they cannot deal with Australia for instance, as a component part of the empire and yet a distinct entity within the empire, on a better footing than they can deal with the Netherlands? Or is it the deliberate intention of the government to so bind us that whatever concessions we make to Australia must automatically operate to the benefit of the Netherlands? If that is what the minister intends to do he has in my judgment succeeded in doing it by article 4 of the treaty. If that is the intention of the government and they take the responsibility of it there is nothing more to be said; they are in charge at the helm and this is the direction in which they wish to steer. But if the minister does not intend to do that I can say to him with the most positive assurance that the language employed is not effecting his purpose but a very different one. Like my right hon. leader (Mr. Meighen) I would advise him, if he does not mean to do this, to hold the matter over until he has made the thing perfectly clear in a diplomatic way; otherwise the result I have indicated must absolutely follow.

Mr. ROBB: I cannot allow my hon. friend to put into my mouth or to ascribe to the government ideas which were never entertained. My hon. friend is a good lawyer and he might plead a case well before a court of law, but I do not intend to get into any argument with legal gentlemen regarding the phraseology of this bill. I am satisfied that the bill declares exactly what was intended, that we should give the Netherlands our intermediate column of tariff, or a little better in some cases, wherever we have conceded it. But there is no intention of giving them the British preference, and I am satisfied that no court would hold that. However, if it will satisfy my right hon. friend I will undertake,

if he will allow the measure to go through now, to see in case there is any doubt that the correction is made in the upper house. For my part I believe that the bill safeguards our interests.

Mr. BOYS: Suppose a trade agreement were made between the Netherlands and Australia in which a very low tariff was given by Australia in favour of goods manufactured in the Netherlands.

Mr. ROBB: My hon. friend is wrong altogether, because Australia has not a low tariff.

Mr. BOYS: I am only stating a suppositious case; I can take Great Britain if the minister prefers. Would Canada in that case be entitled to the benefit?

Mr. ROBB: That is my understanding.

Mr. BOYS: Then, if the minister takes that view, how can that be so unless Great Britain is treated as a foreign country, which a moment ago the minister was unwilling to do?

Mr. ROBB: Great Britain and Australia are foreign countries to the Netherlands but not to Canada.

Mr. BOYS: That is the point. Let us take the case of New Zealand; if she is not regarded as a foreign country to Canada, Canada could not get the benefit of any agreement that might be made under such a treaty.

Mr. BAXTER: Article 4 says nothing about foreign countries; it says "favoured nation".

Mr. BOYS: I am coming to that feature of it. In article 4 the word nation is used. Does not that include every nation except Canada and the Netherlands? Is not Australia, is not New Zealand, is not Great Britain a distinct nation within the meaning of that article?

Mr. ROBB: If it will expedite matters and my right hon. friend desires to make the language more emphatic, I will offer no objection to correcting it in the upper house.

Mr. MEIGHEN: But the minister cannot do that.

Mr. ROBB: The upper house can.

Mr. MEIGHEN: How can the minister correct it? This is an agreement, and I do not see how he can change it unless the Petersen plan is to be followed again. And I do not think that the minister wants to get into that humiliating position too often. I think the suggestion I made is much simpler and far less objectionable. Let the minister get a cable from the Netherlands government, and then it would hardly lie in the mouth of that government afterwards to insist on a different interpretation. But for the life of me, I would not want to rely on this.

Mr. ROBB: Will my right hon. friend be satisfied if I get a message from Mr. de Meester, the representative of the Netherlands in Canada?

Mr. MEIGHEN: That would be a lot better than nothing.

Progress reported.

CANADIAN NATIONAL RAILWAYS

BILLS PROPOSED TO AUTHORIZE THE CONSTRUCTION OF BRANCH LINES

TURTLEFORD

Hon. GEORGE P. GRAHAM (Minister of Railways): Mr. Speaker, if there is no objection we might take up the Turtleford and Bengough to Willowbunch branch line bills. The resolutions were discussed thoroughly in the House, the bills were sent to the Railway committee, and the Railway committee have reported them back without amendment. I do not think there is any objection from any quarter to either of these bills.

Mr. MEIGHEN: Let us go ahead with those.

Mr. GRAHAM moved that the House go into committee on Bill No. 69 respecting the construction of a line of railway forming part of the Canadian National Railways between Turtleford and a point in township 48, range 12, west of the third meridian in the province of Saskatchewan.

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

Section 1 agreed to.

On section 2—Part of cost to be provided by the Canadian Northern Railway Company, and so forth.

Mr. MEIGHEN: Has the minister reconsidered his policy of keeping out of the estimates the money to be spent on these lines?

Mr. GRAHAM: We find this is the most practical way altogether.

Mr. MEIGHEN: That means politically.

Mr. GRAHAM: No. Work is now going on on railway lines under these bills that might possibly be held up if we were waiting for the estimates.

Mr. MEIGHEN: I know, but the minister got one-sixth of his estimates through within a few days of the opening of the House. The difficulty is now we do not know from the estimates what the country is going to spend.

Section agreed to.

Sections 3 and 4 agreed to.

On section 5—Approval of parliament if authorized amount exceeded.

Mr. GRAHAM: That was put in all the bills last session.

Mr. MEIGHEN: In the Senate or in the Commons?

Mr. GRAHAM: In the Commons.

Section agreed to.

On section 6—Nature and form of securities to be approved by Governor in Council and signed by Minister of Finance.

Mr. GRAHAM: This is the regular clause, there is no change.

Mr. MEIGHEN: I do not get the significance of the last sentence. The securities referred to in the first two sentences are the securities of the company, and are to be guaranteed in a form satisfactory to the minister, and so forth. Then the section continues:

Should the Governor in Council decide that any of such securities shall be secured by mortgage or deed of trust, the form and terms of any such mortgage or deed of trust and the trustee or trustees thereof shall be such as the Governor in Council may approve or direct.

I do not get the point there. How do you secure a security? The government would not need a mortgage to secure its guarantee, because certainly the company in issuing its bonds must give a mortgage, and if the government guarantees that mortgage the clause is not necessary. I do not see why it is necessary at all. It is not for the government to decide that any security is to be secured by mortgage; it cannot help but be.

Mr. GRAHAM: I do not know the legal bearing, but this was worked out very carefully by Mr. Ruel a year ago and inserted in all the bills. Would not the construction rather be, that should the Governor in Council decide that any of such securities shall be secured by mortgage or deed of trust, then the form to be used must be that prescribed by the Governor in Council?

Mr. BOYS: I could understand that thoroughly if bonds were issued and not secured by mortgage, but, as the leader of the opposition has pointed out, they always are secured by mortgage, and then one finds it difficult to appreciate the intention of the clause, unless it means further and additional security; but if this was intended, one would think the draftsman would use the words "such further and other security as the Governor in Council may direct."

Mr. GRAHAM: It is possible that this last sentence is not necessary, but the Justice department thought it was. It is the same as in last year's bills. I imagine the only criticism that could be offered against it is that it is superfluous; but there must be some good reason why it was inserted. Mr. Ruel thought it was necessary.

Mr. BOYS: It may have been intended to cover what I mentioned.

Mr. GRAHAM: Perhaps so.

Mr. MEIGHEN: The first part of the clause is in quite familiar language; I remember it in many railway acts. But I never saw that last one, and anything superflous is dangerous in a bill of this kind. I would rather see it out myself, but I will not insist on it. Mr. Ruel may have thought it necessary, but I do not see why.

Section agreed to.

On section 7—Advances pending issue of guaranteed securities.

Mr. MEIGHEN: What is the course pursued in this respect? There is no doubt the National Railways do not issue bonds in respect of each single line; that would be very cumbersome and expensive. I presume they periodically make an issue: For instance, they made an issue of $35,000,000 not many months ago. I suppose the practice is that the government advances the money for one line or another line, and so forth, until the market is supposed to be favourable to a large issue, and then the government is recouped. In that event, are these advances to the National Railways included in the few millions which at the end of the year the Minister of Finance reports as constituting the government's advances to the railways during the year? I would expect not.

Mr. GRAHAM: I do not know just what the Finance department does. The Canadian National did make a loan of some $14,000,000 and included in that loan were certain amounts for the branch lines. These amounts were not needed at the time, but were deposited with the Finance Minister and drawn upon as required. I think the whole $14,000,000 was not

drawn upon at the end of the fiscal year; some $3,000,000 remained.

Mr. MEIGHEN: The member for West York (Sir Henry Drayton) has arrived, and I speak with some diffidence on this subject on that account. But it would seem to me very questionable practice for the National Railways to issue its bonds in advance of necessities and then for the government to finance on money of the National Railways in the meantime. It is bad enough for the National Railways to lean on us, but we do not want to lean on them. I think the right practice would be for the government to advance the money and then when an accumulation is sufficient and the market favourable, to issue bonds to recoup the government— that is to say, if bonds are to be issued at all. It would seem to me that the sooner we get to the time when we make loans to the railways direct, the better, because undoubtedly the money can be more cheaply secured in that way ,and then, the country knows exactly where we stand. This gradually moving into the guarantee atmosphere—no guarantee one year; a moderate guarantee the next year; a far bigger one the next year, and the cash advances growing in the reverse order—well, it just gets the whole country confused and gives politicians who must confuse, to avoid calamity, an excellent opportunity to do so.

Sir HENRY DRAYTON: I do not know whether it is necessary for me to explain this item; I was carrying out the implied directions of the government in looking after the business in connection with a very similar matter in another room in this building. But we have an oddity in the railway accounts this year which has puzzled a good many more than myself. It might have been shown plainly and honestly, but it was not so shown. The real truth is—and one can only get at it after investigating and going through the accounts in a way that we should not have to do—that the government borrowed money from the railways: borrowed the sum of $14,259,435.69. Besides borrowing the money from the railways to the extent of this amount, the government also agreed to pay interest at the rate of 4 per cent. On page 27 of the accounts of the Canadian National Railways the loans from the Dominion of Canada are set out, and then appears an amount under the heading "less refunded." That, of course, means less loans as previously set out, in part paid off—refunding is the discharge of obligation. There is also a credit for interest accrued during the year. The credit taken under that head is $302,597.40. Now, the whole of that is not interest on that loan, although one might well think so. We are still maintaining the distinction between moneys spent in connection with the Canadian government railways and moneys spent on the other systems, although they are now all operated under the same management. My recollection is that something over $200,000 was for interest arising out of the loan at the rate of 4 per cent under the arrangement made between the government and the railway, the balance being interest on certain expenditures which the company had become liable for in connection with the Canadian government railways. The unfortunate part of it is that we do not get the real truth. We are told that obligations have been refunded to that extent; they have not. What took place is exactly what I said. The government borrowed this money, and it paid the company to lend it to them because all the company were getting, if I remember rightly, at the time, and I again speak subject to correction, was 3 per cent. Sometimes they get 3¼ per cent; it all depends on the demand for money, and whether the banks really want it or not. If they want it badly they will sometimes pay over 3 per cent for its temporary use, but I do not think the company has been able to get from the banks more than 3¼ per cent, so it paid the company to the extent of three-quarters of one per cent to lend that money to the government. It is unfortunate in this other way. We have an addition to the funded and unfunded debt of the company during the year, as stated by the minister, of $118,000,000 odd. By treating this item as a refunding operation, although the obligations are still remaining out, no attention is paid to it. If this item of refunding had not here appeared the answer of my hon. friend would have had to be plussed by that $14,000,000. While that is quite so as a matter of bookkeeping, and the only way of keeping your books right—I want to be absolutely fair to my hon. friend and to the system—it again would not show the real position. We had three loans out of which this money comes. We had one loan of $50,000,000, another loan of $20,000,000, and another loan of $26,000,000, and the company had cash on hand out of these loans of approximately $15,000,000. I think it is quite right, when one is stating the amount of funded and unfunded debt, to take credit for the actual cash the company yet has on hand in connection with these issues.

Mr. GRAHAM: The unexpended.

Sir HENRY DRAYTON: Unexpended. So it really makes no difference so far as that particular question is concerned, but just see

where the company is putting itself. As a result of putting this misleading entry in here they have got to put up a corresponding entry against it, and for the additions to funded debt next year they have got to add $14,000,000 odd as money then raised, adding it then to the debt. So far as the cash is concerned, and so far as the interest is concerned, no one is losing any money, absolutely none at all; but it is something that takes some time to get into, it is something which misled a lot of people, it is something which on the face of it is wrong, and which, if continued too much, is going to lead to altogether too much inter-financing between government and company; but so far as any money being lost as a result of it, no money has been lost.

Section agreed to.

Section 8 agreed to.

Schedule agreed to.

Bill reported, read the third time and passed.

BENGOUGH-WILLOWBUNCH

The House in committee on Bill No. 74, respecting the construction of a line of railway forming part of the Canadian National Railways between Bengough and a point at or near Willowbunch, in the province of Saskatchewan, Mr. Gordon in the chair.

On section 1—power to construct and complete line described in schedule.

Sir HENRY DRAYTON: I would like to get an understanding with my hon. friend as to the situation here. I am not rising to object to the building of the line to Willowbunch. I do not know whether it is really the right point or not. A great deal would depend on what is being done in the district. I have been told that the Canadian National has made an arrangement with the Canadian Pacific that the territory to the south and west will be looked after. We discussed in the House last year the question whether the line should be extended from Bengough in a westerly direction but a good deal more to the south than Willowbunch, Willowbunch being up a little to the north. Going down in that direction we run across a district where there are old, old settlers, who for years and years have had to haul their grain over distances which absolutely prevent any return. We have the Canadian Pacific line down there with quite a gap to be built, and there was a question I know as to whether the Canadian Pacific would ever build that gap. Last year one of the things we discussed was building down to the south and west for the purpose of relieving those people by an extension—I forget the meridian number at the moment, but I think it was No. 8. At any rate it would mean probably eighteen miles construction to the west of Bengough, reaching down to a country where there are any amount of people, and where they need the railway very badly. Now we are turning away from that and going up to Willowbunch, to the north and west, and I have been given to understand that the National thinks it will have discharged its duty to the people down there if it builds that way because an arrangement has been made with the Canadian Pacific to look after that other portion to the south. I really think the people of the district are entitled to have a clear statement as to that situation. Their necessities are great; the handicaps they have laboured under in the past are heavy, and this construction to Willowbunch rather looks as if for the future they had to depend on the Canadian Pacific. I hope before this conclusion has been come to that some arrangement has been made under which the Canadian Pacific will within a certain definite time make that other construction, and I would ask my hon. friend to let us know whether the Canadian Pacific is to build in that territory to the south and west, and if so, when that construction is going to be done.

Mr. GRAHAM: The original idea of the Canadian National was the line laid down in the bill now before the House. Last year a deviation was proposed, as my hon. friend says, in order to serve another part of the territory and, if I remember correctly, before the bill was through it was left quite optional as to different routes. Well, parliament has determined, and rightly so, that so far as possible there shall be little duplication.

Sir HENRY DRAYTON: We all agree on that.

Mr. GRAHAM: Consequently it has been arranged, and I think the Canadian Pacific are perfectly agreeable, that while the Canadian National builds to Willowbunch the Canadian Pacific will build from the west. I am told but I am not sure—I have the papers somewhere and I think it was discussed in committee—that the Canadian Pacific has been getting out its charter and carrying out its surveys and will begin with the construction commencing not later than 1926.

Sir HENRY DRAYTON: Well, I have no doubt the district will be very glad to get

the assurance. I think they would like to see the work started this year; they have waited a tremendous time. I think the minister is fairly right in his discussion of the situation, except that he is wrong as to Willowbunch being the original proposition. What we had originally brought down last year was the building of a line from Radville. The Radville line was a line considerably to the east of Bengough, and it ran through a very rough country where construction would be extremely heavy and where there were no settlers. It is true that when you got further south you encountered settlement; but you had to get away south before you met it and a lot of money would be lost in coming down that way. Before the Senate committee the engineers of the railway said they were always against the Radville line, they did not recommend it, and that the construction from Bengough would be more useful and more economical. Those are the only two propositions, whether the line is to go from Willowbunch or Bengough. The alternative proposition last year was to extend for a longer distance to the south for the purpose of looking after those people who have been requiring attention for so many years. The action taken last year by this House was to leave it optional—whether the company would build from Radville south, or whether they would build from Bengough.

Mr. GARLAND (Bow River): There is a question which occurred to me, not in direct connection with this bill but in connection with the construction of some branch lines: In the event of an agreement having been entered upon for the construction of a joint line, and a certain amount of money being put up by the Canadian National Railway and a certain amount on behalf of the Canadian Pacific, or some other company, who decides when the work must be gone on with? Has the government any power to compel the construction of the line?

Sir HENRY DRAYTON: That would not come up here. The only instance of an arrangement of this kind that I know of is the joint section which was to provide for the Drumheller district. That was agreed on years ago. I do not know how much of it has been constructed.

Mr. GARLAND (Bow River): None.

Sir HENRY DRAYTON: I should have thought there was some.

Mr. GARLAND (Bow River): If in order I should like to ask the minister for a moment to turn to this line—the Rosedale south easterly line. The money has been voted by this parliament, for the National's share and the Canadian Pacific has put up its portion. The officials of the latter company inform me they are ready to go on with the work, they are anxious to go on with it, but they cannot get the Canadian National to start the work. Who is to take the necessary action in a case of that kind? The people out there need the line, the people in Drumheller need transportation facilities to move their coal; if the line were built it would mean a great deal more business for them in the district, and would also help the farmers along the route.

Sir HENRY DRAYTON: I can very quickly tell what was done before in a very similar case. As a usual thing each company wants to build, but if one company wants to hold back there is no reason why the other company should not go on and build. It is not a matter of financing; it is only a matter for the Board of Railway Commissioners to take hold of. I know I have not had much hesitation about taking hold of such difficulties in the past.

Mr. GARLAND (Bow River): I sincerely hope that the minister will see that the Board of Railway Commissioners will take action in this regard. I cannot get satisfaction from anybody with respect to it.

Sir HENRY DRAYTON: Make application to the board.

Mr. GRAHAM: I will take pleasure in sending the remarks of my hon. friend to both the railway presidents to-morrow.

Mr. GARLAND (Bow River): Send it to the Board of Railway Commissioners; that would be much better.

Mr. GRAHAM: It is one of those difficult situations in regard to which I do not know where the authority lies unless it is with the Board of Railway Commissioners. I will see that the matter is brought to the attention of the company; it is the first I have heard of it. In a case of this kind we go to one company and of course they say they are ready. Then we go to the other company and they say they are ready also; it is generally the other fellow that is delaying matters. The only thing is to try and get them to come together.

Section agreed to.

On section 2—Part of cost to be provided by Canadian Northern Railway Company and balance by Canadian National Railway Company; Canadian National may issue security which may be guaranteed.

Sir HENRY DRAYTON: In connection with that I was going to ask my hon. friend how this is proposed to be taken into the company's capital? We may just as well be fair about this question, and look it straight in the face. This is our road and we are just as much liable for these bonds, endorsed as they are by the provincial treasurer, as we will be for the other bonds coming subsequently which we also have to endorse. Now what is to be done about it? Is there to be camouflage so that the obligation will not appear in the addition to the debt? Is there to be a statement made that we have not endorsed these bonds and therefore it should not come in as part of our obligations, or will the obvious, right thing be done in this one instance anyway? The people of Canada are building a railway with borrowed money. It is not enough to look after the whole of the line but we have to go out and borrow more. This loan which is a first charge upon that property is raised under the guarantee of the province. The next loan will have our guarantee on it, and surely it would be childish to pretend that that loan should, for the purpose of arriving at our own situation, be looked upon as anything other than our own obligation.

Mr. GRAHAM: Well, I have not given it any thought, but this is cash we are getting.

Sir HENRY DRAYTON: I agree.

Mr. GRAHAM: We are getting cash from the province. My own view absolutely, although on consideration I may be wrong, is that the Canadian National will be liable for the interest on the whole investment.

Sir HENRY DRAYTON: My hon. friend does not quite catch my point. We are authorizing the government to guarantee further obligations because they will have to be issued in the name of the company. The security for those obligations is the line that is to be built. That security is subject to this cash as the minister points out. The cash does not make any difference one way or the other. What does count are the bonds already issued and guaranteed by the province; and before we can look to any of our security here at all if we are still foolish enough to go on thinking this railway is not ours, if we still go on hiding our heads in the sand and not looking upon an obligation of this character as an obligation of the whole country, then we are in the position of any second mortgagee. What is the good of a second mortgagee's security unless he is in a position to look after the first mortgage? I should have thought the thing was clear.

Mr. GRAHAM: I did not expect a discussion of this kind, or I would have brushed up my memory a little. As a matter of fact, these branch lines of the Canadian Northern system are being treated I think in exactly the same way as they have been treated since the Canadian Northern was taken over by the government many years ago. The federal government I think paid the interest on these securities guaranteed by the provinces. I do not know whether the principal amounts were taken into the capital or not, but the principal amounts must be in the capital of the Canadian Northern system, because they are part of the Canadian Northern.

Sir HENRY DRAYTON: Sure.

Mr. GRAHAM: And I imagine the capital charges will all be against some integral part of the Canadian National or Canadian Northern.

Sir HENRY DRAYTON: Sure.

Mr. GRAHAM: And the amount of interest due on all securities will appear in the books of the Canadian National. I understand they are a charge against the Canadian National, just as if they were part of the original account.

Sir HENRY DRAYTON: The minister is overlooking entirely the one thing of real importance here, and that is the question as to the government's investment and the question of the government's net or gross debt. If we are going on giving guarantees just as we feel like giving them, whether there are prior securities against the system or not, whether there is a value there on which we can get a return or not, then we are only misleading ourselves and misleading the public. The hon. minister says it is exactly the same as when the company owned it. Well, it ought not to be the same. So far as the company is concerned, it is the same, but I am speaking of the larger question, as to the government's position and the security for the people's money.

Mr. GRAHAM: I will look into that further. I had not given it any thought.

Mr. McTAGGART: It occurs to me that the Canadian National Railway is under some obligation to the people in that district in regard to this line. It must be remembered that in the vicinity of the Fife lake country and west of it, as far as the sixth and seventh meridian, or still further west—

Sir HENRY DRAYTON: I put it at the eighth meridian.

Mr. McTAGGART: The eighth meridian would be right—the people have for years been looking forward to the extension of the line from Bengough. At this time it appears as though an understanding had been reached between the Canadian National and the Canadian Pacific Railways, and I should be very glad if I thought such was the case. However, I am not assured of that. I learned a few weeks ago that the Canadian Pacific Railway were proposing to introduce a bill in the upper chamber asking for authority to construct a road from south of Assiniboia and in the direction of Fife lake. I sent over to that chamber the other day for a copy of the bill, but I was informed there was no bill; so that I do not know whether the Canadian Pacific Railway is asking for that authority or not. I feel that the people in the Fife lake country and in the Wood mountain country will expect some assurance from the Canadian National that the Canadian Pacific is going to proceed with the development of our railway facilities in the south country. I want the minister to understand that I am not at all opposed to the extension of this line to Willowbunch because I am familiar with the country, and I know that in the vicinity of Willowbunch there is a splendid farming district. But I want to point out that if in the future it is necessary to extend the line from Willowbunch to the westward, then the line should not really go down into the Willowbunch valley, as I presume it is expected to do under this bill. The town of Willowbunch lies in quite a deep valley, and it would seem that if the line were built into Willowbunch it would probably remain a stub line for some time. The point I wish to make for the benefit of the minister is that there should be some assurance given to the people in that south country that railway facilities will be developed either by the Canadian National or the Canadian Pacific Railway. So far as I am concerned, I am not particular which line is built as long as the people in that country get the railway facilities. I wonder if the minister could give us some assurance in that regard.

11 p.m.

Mr. GRAHAM: I went over that ground when the hon. member was not in the chamber. I pointed out that I felt confident that the Canadian Pacific Railway proposed to have an act of parliament passed to proceed with the surveys and begin construction from Assiniboia southward, not later, I think, than the year 1926.

[Sir Henry Drayton.]

Sir HENRY DRAYTON: Assiniboia eastward.

Mr. GRAHAM: South and east, if I remember. I do not think there is any question that the Canadian Pacific intend doing that, and that arrangement having been arrived at, it would be unwise to duplicate lines. I think parliament would not agree to that, even if the roads did desire to do it, because the time has come when we must economize as much as possible and serve the people as well as we can without running into wild extravagance in the duplication of lines.

Mr. McTAGGART: In the event of the Canadian Pacific Railway proceeding with the programme which is apparently in prospect, it is not expected then to extend the line beyond Willowbunch?

Mr. GRAHAM: Not at the present time.

Section agreed to.

On section 3—Certificates of minister as to mileage.

Section agreed to.

On section 4—Mileage and costs are estimates only, and not to be exceeded by more than 15 per cent.

Sir HENRY DRAYTON: This is the standard provision.

Mr. GRAHAM: Yes, all the way through.

Section agreed to.

On section 5—Approval of parliament if authorized amount exceeded.

Section agreed to.

On section 6—Nature and form of securities to be approved by Governor in Council and signed by Minister of Finance.

Sir HENRY DRAYTON: Has the minister ever thought whether it would not be wiser to have these things as they formerly were under the usual vote? I know previously he was against it, but does he not really think, looking into it, that it is not working out very well? Formerly we knew exactly what the whole situation was. Now we got it of course in a different way. In the way in which it now comes before us we have to split the amount as between the government's returns and the company's returns. The government gives us a return as to the securities guaranteed under the vote. We have the discussion under the vote altogether, while, if you get the company's figures, you have not only the guarantees under the vote but the guarantee

under the different bills in which the right of construction is given. I suppose it would not be fair to ask the minister to say anything definite on this point, but if he wants to get simplicity in the accounts and to give the people something like a bird's-eye view of the situation, I think my suggestion is the right one. I do not ask the minister to say anything now.

Section agreed to.

Sections 7 and 8 agreed to.

Bill reported, read the third time and passed.

THE SPECIAL WAR REVENUE ACT, 1915 AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 119, to amend the Special War Revenue Act, 1915.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—"Cheque."

Mr. ROBB: The purpose of this section is to define more clearly what is meant by "cheque." The intent of the act has been evaded by the use of documents that do not come within the definition and the amendment seeks to meet that difficulty.

Mr. MEIGHEN: The definition of cheque includes any document or writing not drawn upon or addressed to a bank in exchange for which the bank makes payment of a sum of money. I cannot think of how any bank could make a payment of a sum of money if the document were not addressed to the bank.

Mr. ROBB: This has been done for some time.

Sir HENRY DRAYTON: Does the minister refer to the difficulty in connection with grain tickets?

Mr. ROBB: They are issuing grain and cream tickets and certain lumber tickets in such a way as to avoid the tax.

Mr. MEIGHEN: What form would they take?

Mr. ROBB: I do not know precisely in what form they are drawn but they go through the bank.

Mr. GOULD: Under the Grain Act the ticket shows the number of bushels which the farmer has hauled to the elevator, together with other details, indicating to what sum he is entitled, and he can go to the bank and get the money on that ticket. It is really a receipt although it is considered a cheque.

Mr. MEIGHEN: This is to catch the western farmer.

Sir HENRY DRAYTON: What is the estimated gain in revenue under section 1?

Mr. ROBB: I have no estimate.

Sir HENRY DRAYTON: To what extent is the act being evaded?

Mr. ROBB: To a considerable degree.

Sir HENRY DRAYTON: Can we not get closer than that? I should think it would be to a very considerable degree. This ought to add very largely to the total revenue from the stamp tax.

Mr. ROBB: We hope so.

Sir HENRY DRAYTON: I believe, from a return brought down in the House some time ago, we are now getting nine and a quarter millions, roughly speaking, from this tax. Does my hon. friend think he will get a couple more millions out of this provision?

Mr. ROBB: I cannot venture to quote figures.

Sir HENRY DRAYTON: Would a million be a safe estimate?

Mr. ROBB: I really do not know to what extent the act has been evaded, but the complaint is made that while some people are honestly observing it, others, through the use of these tickets, are avoiding the tax. The amendment seeks to put all on the same footing.

Sir HENRY DRAYTON: My hon. friend is keeping up his fences pretty well and I do not say that he should not. He is taking off the stamps on cheques under five dollars; I think he will make much more money under this clause than he is losing under the other.

Mr. ROBB: I think that is a fair guess.

Mr. DAVIES: When the farmer takes a load of grain to the elevator he receives payment in the form of a grain ticket, which is really a cheque paid by the grain firm for the wheat which is purchased. I find that when we take these grain tickets to the bank to cash them the bank immediately makes the farmer pay the stamp tax on the ticket, not as a cheque but as a receipt. Will this section do away with that?

Mr. ROBB: This amendment is to clear up the situation. It will not affect the farmer who sells the grain but the man who buys it. It has been found that some grain firms have been observing the act while others have made their payments through the grain tickets. We propose to meet that difficulty by this amendment.

Mr. GOULD: Hardly any of the grain companies who issue this paper as a receipt for the grain received, which entitles the holder to draw upon the bank, ever pay the tax themselves, and it is contended in the west that the person who issues the cheque should be responsible for the tax.

Mr. ROBB: The act provides that.

Mr. GOULD: The individual takes his ticket to the bank and in a good many instances the bank insists on the stamp being put on by the holder before the cash is handed over. Others have not insisted on this; it seems to have affected different localities or towns differently. The minister's intention evidently is to bring about uniformity in this regard, but I think he would receive revenue through a strict enforcement of this provision so far as wheat tickets are concerned without imposing the tax on cream tickets. For my part I should like to see the tax on cream tickets abolished. It does seem to me that the man who is struggling the hardest with a few cows is the one who is least able to afford this taxation. If the minister were in the western country at certain times of the year and compared the marketing of grain at the different stations with the delivery of cream in cans that are sometimes only half full he would very likely see the logic of this argument.

Mr. EVANS: I have received protests lately from certain business firms, Gordon Ironside & Fares Company, Limited, and the Hudson's Bay Company out west, who say that they have to put on stamps which duplicate the tax on the monthly statements they send out. Is it insisted upon that a stamp should be affixed to a monthly statement for $10 or over? In that case is the statement accounted as a receipt?

Mr. ROBB: The question of stamps on statements was brought up when this bill was before the House a few days ago. The Deputy Minister of Customs and Excise, who administers the act, tells me it was discovered that some firms make remittances twice a week and others three times a month, and that a statement is sent at the end of the month. Naturally such a statement is an acknowledgment of the money received, and I think the deputy minister ruled correctly that it should be subject to a receipt tax. That was one of the methods adopted to evade the tax.

The CHAIRMAN: This does not deal with receipts but with bills of exchange.

Mr. EVANS: There is another duplication of payment which will come rather hard on the farmer in some cases. The commission man places the proceeds of sale of wheat to his own account, and he has to put a stamp on the cheque when remitting to the owner. In that case the one sale has to bear a stamp twice, which does not seem to me quite fair.

Mr. DAVIES: Mr. Chairman, I should like to be quite clear regarding the stamp on grain tickets referred to a moment ago. Am I to understand that when a grain firm issues to a farmer what we call a cash grain ticket it will have to place a stamp thereon, and if the farmer takes that ticket to his bank to get it cashed, he also will have to place a receipt stamp on it, so that the ticket will bear a stamp on the front and on the back, one affixed by the grain firm and the other by the farmer?

Mr. ROBB: No, Mr. Chairman. Whoever issues the ticket for the grain, if it is recognized as a cheque, must put the stamp on. I have not the act with me at the moment, but a few days ago I read its provisions into Hansard. Penalties are provided if the issuer of the cheque does not pay the stamp tax.

Mr. STEWART (Humboldt): I do not think the minister has caught the point of the hon. member for North Battleford (Mr. Davies). On the back of the cash grain ticket there is a receipt form which, if it were a cheque, would be an endorsation, but it reads as a receipt. I think what the hon. member wants to know is this, if they continue to use that same form will it require a receipt stamp when it is a receipt for the money of the cheque on the other side, which cheque has already been stamped?

Mr. ROBB: If my hon. friend gave me a cheque for grain payable to my order, I would have to endorse it before I received the money, but I would not have to put a stamp on the back of it.

Mr. DAVIES: As the hon. member for Humboldt (Mr. Stewart) says, on the back of the grain ticket it reads "payment received," and this is signed by the farmer. At present the bank requires you to place a two-cent stamp upon that as a receipt.

Mr. MEIGHEN: The effect of this would be to change it from a receipt to a cheque.

Mr. DAVIES: That is the point.

Mr. MEIGHEN: It would necessitate stamps for both.

Mr. ROBB: No.

Mr. MEIGHEN: It just means the farmer has to pay the $2,000,000, if it amounts to that.

Mr. ROBB: I did not say it amounted to that. The man who buys the grain pays, not the farmer.

Mr. MEIGHEN: The minister need not worry, the farmer is going to pay it. I know the man who issues the cheque has to pay the stamp, but he will charge that up to the farmer every time.

Mr. ROBB: Not in eastern Canada.

Mr. MEIGHEN: He does not issue that kind of ticket here, but wherever he does the farmer will have to pay. The grain company has him just where it wants him. I do not say it is unjust, but there is no use deluding ourselves into the belief that the grain people are going to pay; it will be the farmer.

Section 1 agreed to.

On section 2—Stamp tax on bills payable on demand, etc., or drawn on person outside of Canada.

Mr. HANSON: Why should there be discrimination between foreign and domestic bills?

Mr. ROBB: It is in order to bring bills to the same basis as cheques. We discovered that within the past year or two this foreign business has drifted down to New York because of our high tax, two cents for every fifty dollars. On very large bills of exchange, running into hundreds of thousands of dollars, the exporter sent his business down to New York and evaded the tax.

Mr. HANSON: At the time the tax was introduced the minister was warned that it would have the effect of drawing deposits out of Canadian banks. It has had a very detrimental effect, especially along the border. Of course, there is good reason for this change if business is withdrawn from our banks, but it does seem to me the sooner the government reduce the tax the better it will be for business.

Section 2 agreed to.

On section 3—Stamp tax on cheque defined in subsection 1 (e).

Mr. MEIGHEN: We can hardly swallow that all at once.

The CHAIRMAN: We will take it by subsections.

On subsection 14 of section 3:

Mr. MEIGHEN: Is this a re-enactment?

Mr. ROBB: Yes, it is really.

Mr. MEIGHEN: Why is it re-enacted? What is the real change?

Mr. ROBB: In section 3 I do not think there is anything new.

Sir HENRY DRAYTON: I think, Mr. Chairman, it is because we have changed the subject matter of the section, the definition of a cheque, and we are making it clear that the law will apply to the extended meaning. I do not think there is anything more in it than that.

Mr. ROBB: I think hon. gentlemen will find on reference to the explanatory notes the only new matter is underlined.

Subsection agreed to.

On subsection 15 of section 3—Stamp tax on foreign bill.

Sir HENRY DRAYTON: I suppose, Mr. Chairman, this is really treating what we have already done with the preceding paragraph in another phase. Am I right?

Mr. ROBB: That is it exactly.

Mr. MEIGHEN: There is some change here.

Mr. ROBB: No, it is exactly the same as the others.

Mr. MEIGHEN: This appears to make subject to tax any foreign bill issued by an individual, not by a bank. But why should it be necessary to repeat all these sections? That is what seems strange to me.

Mr. ROBB: It is just to make it clear.

Subsection agreed to.

Subsection 16 of section 3 agreed to.

On subsection 17 of section 3—On bank paying cheque without stamp.

Mr. EVANS: I would draw the attention of the government to the inconvenience that sometimes arises in connection with obtaining revenue stamps. Would it not be the same thing if a postage stamp of the same value was affixed?

Mr. ROBB: It was important that we should be able to determine our revenues

from the post office and from these excise stamps respectively, and that is the reason for it. I know there was some inconvenience at first, but I think it is working very well now.

Sir HENRY DRAYTON: The whole law is one of those inconvenient, troublesome things. What the hon. member for Saskatoon says merely illustrates one of the annoyances of the act. We are the only people in the world who put up with such an act. I do not know of any other place where there is a pyramiding of taxation such as we have in Canada on cheques. The United States have no tax at all on cheques, and never have had. Great Britain first had a tax of a penny and afterwards made it two pence on all cheques, while we have all this nuisance of calculation and the like. I really think the character of the stamp is the least nuisance, because if you happen not to have a stamp you can attach a postage stamp lightly and the bank will always take it off and substitute a proper stamp for it. I admit that it is a good thing to know what we are doing; I only wish we knew better what we are doing. It would be well if we could know something with regard to the cheques of different values; if we could do that, perhaps we could tell how much we are paying on the new receipt tax.

Mr. ROBB: I have some information here I was to get for my hon. friend. This shows the total stamp taxes for 1924:

On demand and call loans	$1,114,477 04
On overdrafts	389,544 60
On cheques, promissory notes and bills of exchange	6,397,134 12
Total	$7,901,155 76

I have not the details for 1925, but the gross revenue from this source was $9,324,455.36.

Mr. SALES: Has the minister the item for promissory notes separately?

Mr. ROBB: No, not as I have it here.

Mr. GOULD: No commission is paid to persons in small towns, for instance, on the prairies, where the banks are often three or four stations apart, for the handling of these revenue stamps, and we often have to depend on the generosity of others in order to get the stamps necessary for our documents. It seems to me that if the stamps must be different for postal and excise purposes, a small commission might be paid to somebody to handle them in such places as these where banks are not available.

Mr. ROBB: I am sure my hon. friend has only to bring that matter to the attention of the Minister of Customs and Excise, who administers the act, to have it given consideration. I recall that the minister asked me for recommendations as to places where stamps could be sold in two or three small villages in the constituency I have the honour to represent where there was no bank. I think the practice is to place these stamps with reliable merchants in villages where there are no banks.

Sir HENRY DRAYTON: What about post offices?

Mr. ROBB: Sometimes post offices too, I think. I shall direct the minister's attention to it.

Mr. CAMPBELL: I discussed that matter with the Department of Customs and Excise a year ago, and the stand they took was that it was not advisable to place the stamps in post offices because of the possibility of their becoming mixed up with postage stamps. But in one instance that I took up with them, the case of a village a long way from a bank, the department arranged to place a supply of stamps with a merchant in the village, so that there has since been no cause for complaint in that district.

Mr. ROBB: I will draw their attention to that.

Mr. KENNEDY (Edmonton): I think the member for Macleod the other night asked the minister if it would be all right for those who did not have stamps on hand to add to the amount indicated on the cheque the words "and stamp tax." The minister said he would give an answer later. Has he considered the matter?

Mr. ROBB: I admit I had quite forgotten that. I will try to remember it to-morrow.

Subsection agreed to.

Subsection 18 of section 3 agreed to.

On subsection 19 (a) of section 3—Stamp tax on a statement of a maximum amount of advances.

Mr. STEVENS: That is the section, I presume, with regard to which there has been so much criticism throughout the country. Does this refer to the new regulation of putting a stamp on statements which indicate the receipt of a sum of money?

Mr. ROBB: No. A case was brought to our attention only recently of a large broker going to a trust company or life insurance company and asking them for $100,000. Had he gone to a bank he would have had to pay

the stamp tax, but because he went to a trust company or life insurance company, he did not have to do so. We are making it clear that trust companies and loan companies, and so on, are on the same basis as banks in this respect.

Mr. HANSON: Is this not a double taxation on the same transaction?

Mr. ROBB: No.

Sir HENRY DRAYTON: How would the advance be paid except by cheque?

Mr. ROBB: This is on the security he gives for it.

Sir HENRY DRAYTON: I believe that here my hon. friend is going altogether further than he thinks. I appreciate that he wants to get a stamp on every transaction.

Mr. ROBB: No, but I want everybody to be on the same basis.

Sir HENRY DRAYTON: I do not think that he wants two stamps on the same transaction, but that will be the effect the way it is worded. Take the case of anyone who is buying some stocks and is not fortunate enough to be able to pay for them all at once, and his broker is carrying them. His broker has to get money from the bank to do that, and when his broker gets money from the bank, the broker pays all these taxes, and then they are all charged up to the unfortunate fellow who is short on his stock. Now under this section as we have it here—I have just seen it, but it strikes me offhand that it means that the broker not only passes on to his customer, the stamp taxes he pays to the bank, but he has to repeat the same proposition in connection with the same transaction.

Mr. ROBB: I do not think so.

Sir HENRY DRAYTON: Will my hon. friend say now that that will be looked after by regulation to make that clear?

Mr. ROBB: Yes, I will say that. This was carefully prepared by solicitors after consultation with a man who is dealing in this business, and who represents a pretty big business, and knows pretty nearly what is going on. I think this is quite safe.

Mr. HANSON: If I buy bonds from a broker, say $20,000 of bonds on the instalment plan, the broker does not carry them himself; he hires the money from the bank, and he has to pay the bank the stamp taxes on the loan, and he charges that to me. Now under this section I will be charged the double tax. I do not think the minister ever contemplated that. I do not believe that is what he had in mind, but it will certainly bear that interpretation. What the minister is driving at is to put a tax on private loans from trust companies and banks to an individual where bonds are lodged as collateral. That is a form of financing that to-day escapes taxation. But this section would take in the case of a broker such as the hon. member for West York has instanced, and I do not think the government contemplated that.

Mr. ROBB: I give a pledge now that I will direct the officers to adjust this to see it is not double taxation.

Mr. HANSON: It must be obvious to the minister that the point is well taken.

Sir HENRY DRAYTON: I am quite content to let it go if the minister will say that a regulation will go through to see that that is not done.

Mr. ROBB: Yes I will see to that.

Subsection agreed to.

Subsection 20 of section 3 agreed to.

On subsection 21 of section 3—Bill or note as collateral security.

Mr. HANSON: I am glad to see the minister is giving some relief along this line. I have had personal experience in connection with borrowing money on the collateral of promissory notes, and I know I have had to pay double taxation. I would like to point out to the minister that under the regulations interest is charged quarterly on demand notes or advances, whereas a man can go to a bank and make arrangements for a loan for a year on a four-months' note, and he only pays taxes three times in a year, whereas on a demand note he pays taxes four times. That is an anomalous state of affairs, and perhaps it might be looked into.

Mr. ROBB: I will have that looked into.

Subsection agreed to.

Section 3 agreed to.

On section 4—stamp tax on all money orders and travellers' cheques.

Mr. ROBB: The words underlined are new and extend the tax on money orders or travellers' cheques to such documents issued by a bank or any person. Heretofore the banks were issuing these small money orders without putting a tax on them. We are here putting them on the same basis as express orders.

Section agreed to.

On section 5—stamp tax on amounts not exceeding five dollars.

Sir HENRY DRAYTON: Has my hon. friend got any return from the banks as to the amount of cheques issued under five dollars?

Mr. ROBB: I have not got that yet.

Sir HENRY DRAYTON: I understood that some time ago a circular was sent to the banks asking them to give the government particulars as to the number of cheques issued within different ranges. What information has my hon. friend got on that?

Mr. ROBB: I have not got the returns yet, and I am therefore unable to give the information to the House.

Section agreed to.

Sections 6 and 7 agreed to.

On section 8—Licenses to bona fide wholesaler or jobber.

Sir HENRY DRAYTON: What is the real change there?

Mr. ROBB: The words underlined are new. This limits it to an amount not more than $15,000 and not less than $2,000.

Sir HENRY DRAYTON: We had that up before, and there was some question as to whether we were not really increasing the bond.

Mr. ROBB: I discussed that with the commissioner, and he says no, after consultation with the Deputy Minister of Customs and Excise, that it decreases the bond.

Section agreed to.

On section 9—Priority of excise taxes repealed.

Mr. HANSON: What is meant by the repeal of section 9?

Sir HENRY DRAYTON: The lien goes.

Section agreed to.

Sections 10 and 11 agreed to.

Mr. STEVENS: I was going to ask the minister in regard to the regulations under this act, I presume, calling for a stamp to be affixed to monthly statements sent out showing a previous payment. I think all who have to do with that class of business know that it is very difficult to send out statements without showing some payment if the account is not paid in full each month or at whatever interval it is rendered, and yet under this regulation it was necessary to affix a stamp according to the amount that was paid. There was an intimation—in fact, I think once it was dropped, then it was reinstated. Can the minister state whether that is to be dropped again?

Mr. ROBB: No, it will not be dropped. My hon. friend was perhaps not in his seat when I explained a while ago that I had discussed this with the Deputy Minister of Customs and Excise who is administering the act, and he tells me that some firms were not issuing any receipt for moneys received on account during the month. The first of the month they send out a statement, and that constituted a receipt. I think my hon. friend will agree that they should pay, because it is a receipt. I will go a little further than I went a few minutes ago, and say that it is just possible that some firms doing business in an honest way may be penalized on account of the chaps who are evading the act, but I think the officers are trying to correct it as far as possible.

Mr. STEVENS: I appreciate the minister's difficulty. I am not bringing this forward to harass him in any way, or to be critical, but I have had a very large amount of correspondence from very reputable firms, as well as the Credit Mens' Association at Vancouver, and I presume other credit men's associations have also made similar representations. I appreciate it because I have had in years gone by a great deal of experience in this sort of thing. There are many concerns particularly wholesale houses, that carry accounts along year in and year out, which really are never closed. Perhaps there is a payment made on drafts, and so on, during the month, but they show at the end of the month that the business is not completed. Yet they are called upon under the new regulation to affix a stamp. Take the case that the minister mentioned. If a firm deliberately adopted the method of sending out statements yearly and not giving any receipt that would be easily distinguishable from the other class, and I submit this to the minister: It is hardly fair to penalize a score of honest, reputable firms because some one firm out of twenty, or perhaps one out of fifty, is seeking to evade the law in the way mentioned. I would rather see some regulation framed so that where it could be shown that they were evading the law they would be penalized rather than make such a sweeping general application. For all the revenue the government gets out of the receipt tax I would suggest that that tax be abandoned altogether rather than cause this irritation and confusion.

I feel myself that the case made by these very numerous reputable firms—and I have in my room scores of letters on the subject—is one which the government should very carefully consider; and I would ask the minister if it is not still possible to at least drop this rather irritating regulation.

Mr. ROBB: The Minister of Customs and Excise is looking into the question now. I think the officials are trying to arrive at some method whereby a man who is doing business in an honest way will not be penalized.

Sir HENRY DRAYTON: I wonder if my hon. friend could tell me exactly what that means? It is pretty hard to tell really what it means under this regulation. A receipt in the ordinary sense is an acquittance.

Mr. ROBB: No, it might be a receipt on account.

Sir HENRY DRAYTON: Well, it is an acquittance, it is pro tanto an acquittance. When you send a cheque in you get a receipt for your cheque; but on top of it you always have in every single course of business a monthly statement. That is the course followed by practically every wholesaler in the trade. Then, too, if there is a person that gets hit with the stamp tax it is the man that has an account with a broker. That happens all the time.

Mr. ROBB: I do not want to interrupt my hon. friend but the statement of the broker is not taxed.

Sir HENRY DRAYTON: Why is it not?

Mr. ROBB: I have received a statement every month and have not noticed any tax on it.

Sir HENRY DRAYTON: Now my hon. friend is going to try and get that tax. Whenever I get a statement I notice there is an item charged for taxes.

Mr. HANSON: Of one sort or another.

Sir HENRY DRAYTON: Of one sort or another. There is not a statement sent in but there is some charge for taxes.

Mr. ROBB: We are talking of the stamp tax now.

Sir HENRY DRAYTON: So am I talking about the stamp tax. A charge is made for the stamp tax some way or another.

Mr. MARLER: To what section is my hon. friend referring.

Sir HENRY DRAYTON: To the section that refers to the stamping system. I really submit that we have gone just about far enough in harassing the public. If we are to understand now that no one can get a statement of his account without paying a tax on that statement simply because there are some credit items in it I think the whole country ought to understand what is really being done. You cannot make a payment without paying a tax on your cheque; and for you to be told that you cannot get a statement of your account from your creditor without having to put more stamps on it, if that statement shows credit items, it does seem to be ridiculous. Yet that is what this section says.

Mr. ROBB: There is no change in the section.

Sir HENRY DRAYTON: I do not know but the change comes in in this way. We have had sensible people administering this act at some times, and we have had other people administering the act at other times who I think are very far removed from that condition. We have had rulings that these statements ought not to be taxed, and we have had rulings that they are to be taxed. My hon. friend says it is his intention that the mere statement of account that a man gets from his creditor is to be stamped because there are credit items in it.

Mr. ROBB: My hon. friend knows better than anyone in the House that the Department of Finance does not administer the act, although I am not shielding myself behind that statement at all. I have told the House frankly that I made inquiry of the deputy minister of the department administering the act and he explained to me that the reasons for the provision were that some people were evading the tax in the way mentioned. I agree with my hon. friend that if a remittance is made during the month, the person issuing the statement should not be compelled to put a stamp on his statement; but the Credit Men's Association should see to it that the merchants throughout the country, if they are members of their association, deal fairly with the department. The department must be protected in some way. Now if one person evades the law and my hon. friend does business fairly and rightly by issuing his receipts and putting a stamp tax on them, does he not think it only is fair to him that everybody should be put on the same basis?

Sir HENRY DRAYTON: I do not think the minister is putting everybody on the same basis. We have had the illustration of a broker. Take the case of stocks that are held on margin with a broker and the dividend payments that are made by a company on its stock certificates. The debtor, who is

carrying that stock, has not paid anything; he it not entitled to any receipt in one sense because he has paid no money. On the other hand the companies have paid their dividend cheques and have paid the stamp tax in every case. Does the minister really seriously say that all these little transactions should be segregated and the receipt stamp put on all of them?

Mr. ROBB: No, what I say is that it has not been brought to my attention that the brokers do put stamps on their monthly statements. It is the first I have heard of it.

Sir HENRY DRAYTON: I know one thing, and that is that when the business public really get to know how financing is going on in this country, they will transfer their transactions to the other side of the line. I wonder if the regulation is not driving business from Canada.

Mr. ROBB: In correcting evasions of the law we are bringing business back.

Sir HENRY DRAYTON: My hon. friend is not correcting it at all. If every time a statement is sent out for the payment of money it must have a stamp attached, simply because there are some credit items in that statement, it is about time we clearly understood the situation. If there is any one way of clearly showing the absurdity of the pyramiding of these little stamp taxes this certainly is the way.

Mr. MARLER: I cannot agree with my hon. friend (Sir Henry Drayton) in his attitude with regard to the stamp tax at all. The stamp tax is in essence a tax on a document evidencing a receipt of any description. If there is a receipt in the account, even should that money come from a third person, and it is credited to the person named in the account, why should the person not pay a stamp tax on that receipt, the same as on any other receipt?

Mr STEVENS: Here we have a wholesaler distributing to a number of small retailers. A retailer comes in in the middle of the month and pays $50 on his account and gets a receipt, which is stamped. At the end of the month the wholesaler sends him a statement showing goods purchased to the value of $200. He has already paid the tax on the $50 he paid on the 14th of the month, and yet he is required to pay a tax again on the whole amount of his monthly statement, including the $50. The thing is preposterous.

Mr. MARLER: That is not the same thing.

[Sir Henry Drayton.]

Mr. STEVENS: That is what I am talking about.

Mr. MARLER: That is not the point raised by the hon. member for West York.

Mr. STEVENS: He raised the same point in connection with a different class of receipt.

Mr. MARLER: No, not quite.

Mr. STEVENS: Let us stick to my point and see if we cannot win the minister to our view. I think the minister will admit, the government must admit, and every hon. member in the House must admit, that that is a gross injustice to that individual. Why persist in doing that? It is unquestionably a double tax. What will result is this: The wholesalers and others, in sending out their statements, when dealing with private families, where in many cases they carry monthly accounts right along, will cease entering upon the statements the amounts paid, otherwise the stamp will have to be affixed, and while the sum may seem small, yet the accumulation of stamp taxes will amount to a great deal. There is a stamp tax on the cheques, and a stamp tax on the receipt, and a stamp tax on this, that and the other thing. It is multiplying the stamp taxes. That I think is really unreasonable. There may be one case in fifty where the department would lose money. I doubt if the minister or the department could cite in the whole of Canada half a dozen cases. They might possibly find half a dozen or a dozen, but supposing they found a hundred, that is nothing compared with the multiplicity of honest individuals who are going to be penalized. I say to the minister therefore that it is better to lose the small amount that is alleged to have been lost than to irritate and penalize the large number of honest dealers. I go a step further still, and say that if it is found impossible to administer the stamp tax in an equitable fashion throughout the country, for the amount of revenue received it would be far better in the interests of harmony and keeping business in something like an equitable and favourable state of mind, to drop the whole thing. I do submit that that regulation should be withdrawn. I want to say to the minister, and through him to the department that administers these various taxes, that undoubtedly they have an irritating job. There is no question about it. The officials must be driven nearly to distraction, but there is always a tendency on the part of the official mind to disregard or overlook the convenience of the public, and to seek, and properly so, to exact the last dollar. That is where the minister ought to step in and judge fairly between the public and the

official honestly seeking to do his duty, it is true, but still perhaps erring a little too much in the matter of exactitude; so that I submit earnestly to the minister—and I hope he will take it up with his colleagues—that he should to-night give us an assurance that he will endeavour to have this regulation withdrawn. It is desirable, it is fair and it is equitable to withdraw it; on the other hand, to enforce it is going to do more injury to honest and reputable firms than the value of the revenue received would warrant.

Mr. ROBB: In the absence of the minister who is administering the act, I cannot agree to have it withdrawn. I will take it up with him once again and see if it cannot be arranged. I am sure the government is desirous of avoiding irritation.

Mr. MARLER: What the hon. member (Mr. Stevens) asks for can be done by regulation. He is simply desirous of avoiding paying the double tax. He does not want to attach a stamp to a monthly statement, but does not object to attaching a stamp to the ordinary receipt.

Mr. STEVENS: No.

Mr. MARLER: Where the money is paid during the currency of the account, my hon. friend would object to the provision that a stamp should be attached to the statement; but that is a matter which can be arranged by regulation.

Mr. STEVENS: That is the matter we are complaining of, and the difficulty is we cannot deal with it in the act because it is in the regulation.

Mr. BAXTER: I have just heard a part of the discussion, and I realize from the discussion that a letter I received from a friend who is doing a very large retail business in St. John is not without foundation. I presumed when I got the letter that there must be some extraordinary mistake, because what he complained of was that where a partial payment had been made, possibly by cheque—but that would not matter—he had to give a receipt duly stamped; and that if he sent out an ordinary monthly statement of account afterwards showing the credit that had been received, he must place a stamp on that. Surely that cannot be the regulation. It must be a misinterpretation of the spirit of the act.

An hon. MEMBER: That is the regulation.

Mr. BAXTER: If that is the regulation, with all respect to the gentleman who framed it, it seems to me profoundly absurd and unjust, and I trust the minister will find some way to remedy it. As far as any possible chance of evasion or fraud is concerned, I agree with hon. members who have stated that it must be almost infinitesimal. The minister himself in this very bill is opening to my mind a far greater chance of loss, because while firms such as the one I am speaking of will not resort to it, there are many individuals who will resort to the expedient of issuing a large number of cheques just under the sum of $5, in order to pay an account which amounts to much more than $5. In fact, I cannot understand opening a door such as is opened by this act, because it leaves it open to them to evade the tax, not by fraud, but by an absolute compliance with the act, which will militate against the stamp tax revenue which the government has a right to expect. I do not care whether you place the amount at $5, $10, or $25 there will always be an opportunity for evasion, so long as the sum owed is greater than the amount fixed by the act. It is a door which should not be opened. I sympathize with the people who dislike putting a stamp on a three or four dollar cheque, but surely there should be no need to trouble the House with a discussion of this matter at all. This stamp tax has been so long in force in England that it should be decided to adopt the experience of a half century at least or perhaps more. People have practised every trick of evasion, and they have met them where it was necessary to meet them. To follow them I think would be reasonable, but to try to provide for every possible case where there may be some peculiarity of the human mind looking for an evasion only results in intolerable torment and burdensomeness to people who are honestly trying to comply with the law, but do not want to be dealt with unjustly. All these matters are unfortunate. The conditions which make the stamp tax necessary are unfortunate. Surely we should be able to collect the tax with as little friction as possible, but we should not exact the taxes in such a way that people feel they are paying more than one tax for one transaction. That arouses a feeling of injustice which is not easily quelled. It causes discontent with taxation in general, and I think that our office as legislators ought to be directed to making taxation as palatable as possible and to create, if we can in the public mind the idea that the people should loyally and if possible cheerfully accept the burdens of taxation. You cannot get that feeling when a man sees that he is discriminated against with absolute, implacable injustice.

Bill reported, read the third time and passed.

On motion of Mr. Mackenzie King the House adjourned at 12.05 a.m. (Tuesday).

Tuesday, May 19, 1925

The House met at three o'clock.

REPORTS OF COMMITTEES

Second and third reports of the Committee on Agriculture and Colonization.—Mr. Kay.

Hon. CHARLES MARCIL (Bonaventure) moved that the third report of the committee of both Houses on the Printing of Parliament be concurred in.

Motion agreed to.

EXPORT OF POWER

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, I beg to lay on the table copy of a letter I received from the Premier of Ontario on April 16, and of my reply thereto. The correspondence relates to the Carillon power development, and probably should have been brought down with the other papers, but I overlooked it at the time.

PRIVATE BILLS

FIRST READINGS

Bill No. 134, from the Senate, for the relief of Lillian Rebecca Mains.—Mr. Euler.

Bill No. 135, from the Senate, for the relief of Elizabeth Ruth Badgley Shaw.—Mr. Jacobs.

Bill No. 136, from the Senate, for the relief of Lilian Helena Caldwell.—Mr. Preston.

Bill No. 137, from the Senate, for the relief of Elizabeth Strachan Reid Harvey Strachan.—Mr. Garland (Carleton).

Bill No. 138, from the Senate, for the relief of Esther Charlotte Ancel.—Mr. Jacobs.

INQUIRY FOR RETURN

YUKON GOVERNMENT OFFICIALS—INCOME TAX EXEMPTION

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): Mr. Speaker, I should like to ask the government when I may expect the return to an order, passed on the 9th of March, for a copy of all correspondence concerning exemption from income tax allowed to officials of Yukon Territory. When the resolution was passed, the Prime Minister remarked that there was no objection to bringing down any of the papers called for other than such as might properly be regarded as confidential. I notice that some of the material was ready some weeks ago, and there seems to be no reason why the return should not now be made.

Hon. J. A. ROBB (Acting Minister of Finance): Mr. Speaker, I have no knowledge of the papers having been prepared. I will communicate with the department this afternoon and ascertain.

CHICAGO DRAINAGE CANAL

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I have seen a report which has given me some concern; I do not know whether it has come to the government's attention or not. It relates to the Chicago drainage canal diversion and to the interpretation given the recent judgment of the Supreme Court of the United States by the Chicago authorities and, so far as I know, by others generally. It is well known that a limitation was placed on the diversion by the Supreme Court judgment, which limitation was believed here to be a real limitation of the very serious diversion from our waters which had up to then taken place, and the still more serious diversion in immediate prospect, it being a limitation to 8,500 cubic second feet. The interpretation which I have seen as intended to be acted upon is this: that the 8,500 cubic second feet, disastrously serious in itself, is to be applied to the drainage exit alone, that is to say, it is not to include the waters diverted by the alteration of the course of the Chicago river, which course has been changed from a flow into the lake—the natural flow—to a flow at a nearer point into the Chicago canal. It also involves an exclusion of the water taken for purposes of water supply. That is to say, the interpretation is said to be 8,500 cubic second feet for drainage alone, exclusive of 1,300 cubic second feet represented by the turning of the course of the Chicago river, and 1,200 cubic second feet more taken for the purposes of water supply. This total would be 11,000 cubic second feet, or worse than we ever understood as having been the actual practice. I would like to ask the government if they have had any information to this effect, and if so, what steps the government have in mind to bring to a head, or at least to some prospect of solution, this very dreaded and calamitous state of affairs.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The matter to which my right hon. friend has just referred came also to the attention of the government, and we immediately communicated with the United States government, placing before them the interpretation referred to and asking them whether that was the view they took of the decision and its effect. We also drew attention to other possible interpretations with a

view to getting from the United States authorities an exact statement of what in their opinion was the authoritative interpretation. Up to the moment we have not received any final answer, but in view of my right hon. friend's question to-day I will have a further despatch sent.

CANADA-FINLAND TREATY OF COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved the third reading of Bill No. 128, respecting trade between Canada and Finland.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Before this motion is adopted I would like to direct the attention of the minister who makes the motion to the correspondence—or, rather, I will make it plainer to the corresponding phraseology—of the Finnish agreement and the Finnish legislation to that of the Netherlands agreement and legislation, and therefore to the equal danger of such interpretation of this treaty as will bind Canada to extend to Finland the schedules of our preference tariff.

Mr. ROBB: Since yesterday I have had an opportunity of looking into it, and I find that these are in exactly the same terms as the treaty with Italy. It was never thought for a moment that there would be placed upon it the construction which my right hon. friend fears.

Mr. MEIGHEN: What about the French treaty?

Mr. ROBB: I do not know about the French treaty. As regards the Netherlands, the commissioner has gone to Montreal this afternoon to have a consultation with the representative of the Netherlands in this country, and I hope to be able to give my right hon. friend a reply to that to-morrow. I do not think there is any danger in connection with this legislation.

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

SUPPLY

TRADE AND COMMERCE

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

Trade and Commerce—Gold and Silver Marking Act, administration of, $6,000.

Hon. T. A. LOW (Minister of Trade and Commerce): This vote is to provide for the salary and travelling and contingent expenses of Mr. W. J. Ryan of Toronto, the inspector employed by the department for the enforcement of the act. It is the same as last year.

Sir HENRY DRAYTON: I understand that under the arrangement made last week we are to discuss under this item the question of the export of power, and if I am correct in that I wish to make a few remarks in that connection. Since we last discussed this matter a return has been tabled by the government dealing with the question of the export of Carillon power. It is a long return, covering a good many years. Since the return was tabled the gentlemen of the press, in the first place, considered it, and immediately after that the hon. member for Laval-Two Mountains (Mr. Ethier) was fortunate enough to be able to get his hand upon it, and he conveyed it after that to the Minister of Trade and Commerce—

Mr. LOW: Who had it for fifteen minutes.

Sir HENRY DRAYTON:—who tells us he had it for fifteen minutes. I do not know where it was in the meantime, but I do know that the people who asked for it and wanted it were able to get it at something like twenty minutes to one.

Mr. ETHIER: I got it only last night at ten o'clock and I gave it back this morning to the Minister of Trade and Commerce.

Sir HENRY DRAYTON: I can only say that the earliest we could get it was about twenty minutes to one.

Mr. LOW: I might say to my hon. friend that before it reached my office I had a telephone call that the file was wanted for the right hon. leader of the opposition. I retained it fifteen minutes, and it was then returned to the secretary.

Sir HENRY DRAYTON: I do not know anything about the peregrinations of the file or how many people found it necessary to check it, but that is the hour it got to the office of the leader of the opposition.

Mr. FORKE: I would like to point out to the hon. gentleman that the most of us do not know what he is talking about at all.

Sir HENRY DRAYTON: We will see if we can correct what perhaps is a common condition; we will see if we can make it a little less common. I am talking, Mr. Chairman, about the question of the export of power. My hon. friend forgets there was an arrangement under which this question was to be discussed under this item, and I am pointing out right

at the commencement that I cannot give the House as well as I ought to give it, what is set forth under this file, and what the situation is, for I simply have not had the opportunity, I have not had the time to go into it.

I think we can say we are on common ground at the commencement. A lease was made—so far as I can make out in the short time I have had the chance of looking at this file—in June, 1911, which enabled, not this company but a predecessor of this company, to develop power at Carillon. There have been extensions to that lease from time to time; and it runs on until, in 1921, the lease is enlarged by a new document giving, as I gathered during the short time I have had the chance of looking at the lease, somewhat extended powers. I do not attempt to define them; the matter has run along from 1921 with extensions, so that it is still kept alive.

My right hon. friend the Prime Minister and myself talked of this a little while on the last occasion when we were discussing this matter, and when I was attempting to find out whether any request had been made for the right to export power, whether anyone had been busy about it, whether anyone had seen him or any member of the government about it. Well, we might have saved a whole lot of time, for there is a very definite proposition before the government, as shown by the draft leases which are on this file. The proposition that is made to the government under these leases is that power shall be exported in the first instance to the United States, with the right to Canadian muncipalities to get of that power up to 100,000 horse-power. The main object of the undertaking is entirely the matter of the exportation of power to the United States, as I am going to show in a few minutes. I asked on the last occasion who was looking into this, who was pressing it, who was behind it, and my right hon. friend could not tell me anything; or if he could, he would not. I am going to give him now some information. There need be very little trouble now in finding out all about this matter.

The lease which is forwarded is forwarded under cover of a letter dated October 23, 1924. Two revised drafts are sent in. I point out that the file is incomplete at that point; I have seen nothing of former drafts; there is nothing of former correspondence. Whatever the peregrinations of the file were, it is quite clear that there is nothing to show on the file itself how this situation was led up to; but on the 23rd of October, 1924, we have a letter. I read a portion of it:

[Sir Henry Drayton.]

On behalf of the Carillon Industrial Corporation, Limited, I would like to submit for the consideration of the minister and the department, two revised drafts marked "A" and "B" respectively, and would be obliged if arrangements could be made to have these drafts reviewed with a view to a final agreement between the parties as to the precise form of the leases contemplated.

Yours sincerely,

Carillon Industrial Corporation Limited.

That communication is signed by Miss Lyla Brennan, as secretary-treasurer. I cannot find in the telephone directory or anywhere else particulars as to the Carillon Industrial Corporation, Limited, but on inquiring as to Miss Brennan, I find from the directory that Miss Lyla Brennan is a stenographer in the office of McGiverin, Haydon & Ebbs, at 19 Elgin Street, Ottawa, and I might point out that this letter bears the address, 19 Elgin Street, Ottawa. So my right hon. friend has not far to go to get information as to who is behind this scheme and what is in it. All he has to do is to go to his senatorial friend, on the one hand, or to his member of the cabinet without portfolio, on the other hand, and he will have it.

Mr. MACKENZIE KING: I do not know whether I fully grasped the purport of my hon. friend's remarks. Is he referring to my statement the other evening that the government had had no application before it? I think I made it quite clear that the government had not had before it for consideration any applications for the export of power. What my hon. friend is reading now as to some communications that have come to the minister and the department, I am hearing now for the first time. I had no knowledge of it at all until my hon. friend read the letter.

Sir HENRY DRAYTON: I am very, very sorry, Mr. Chairman, that in an important matter like this my right hon. friend the Prime Minister is being kept so much in the dark and does not know anything about it.

Mr. MACKENZIE KING: I understand there are applications made departmentally running back three and four years. They have not come before the government; and I was speaking, as I said the other evening, for the government, and I made it quite plain the government had not considered any applications of the kind. I repeat that now.

Sir HENRY DRAYTON: My hon. friend is doing scant justice to himself.

Mr. MACKENZIE KING: Not at all.

Sir HENRY DRAYTON: I went further and said I was not concerned with any formal application, but that I wanted to know whether

this matter had been brought to the attention of the members of the government, and I did not confine myself to the Prime Minister, but I went down the line of the ministers who were here. There is the Minister of Railways (Mr. Graham): this is in his department, and if you could have a more formidable application for a right to export than we have here, I would like to see it.

Mr. MACKENZIE KING: My hon. friend at the time was pressing for a statement from the government as to what they purposed doing in the export of power, and he spoke particularly of Carillon. I told him then that the government had not had that matter before them for consideration, and I repeat it.

Sir HENRY DRAYTON: My hon. friend had better look at Hansard. What I was trying to find out was what was going on in connection with this matter, not what the government was going to do, but who was behind it.

Mr. ETHIER: Is that draft signed or is it blank?

Sir HENRY DRAYTON: I would like to ask the hon. gentleman, who happens to be a lawyer, whether he ever heard of a draft document signed? If they were signed, they would not be drafts; they would be executed documents. We were trying to find out whether there was any real movement on, whether the deputations were accidental deputations; and we could get no information. But we have it here. We have an application for the export of power on a grander scale than anything we have ever had; that is the plain straight fact. And we also get it from the firm of McGiverin, Haydon & Ebbs, so there ought to be no mystery about it. Surely the government can find out and give the House and the country information as to who is behind this scheme. Well, I turn to the draft contracts and there are two. I confess in commencing that I have not had sufficient time to go through these contracts for the purpose of dissecting them and seeing clearly whether they differ one from the other. However, I have gone through them sufficiently to enable me to arrive at this conclusion—that the plain intent and the plain object under both contracts is the exportation of power in large volume and in large quantities. I first deal with contract A—

Mr. GRAHAM: It is not a contract.

Sir HENRY DRAYTON: Well, draft contract A, submitted by the company to my hon. friend. The covenant reads—I skip the first part of it which is not directly material:

Doth lease—

That is, the government.

—unto and vest in the company the following rights, privileges and hydraulic powers on the terms and conditions and for the times in this indenture specified.

I may say, just at this point, Mr. Chairman, that the contract runs a long time. In the first instance, if this lease is signed, it is to run to the 1st January, 1964. There is then to be a 21-year renewal from 1st January, 1964. There is then to be another 21-year renewal from 1st January, 1985, and a 40-year renewal from 1st January, 2006.

Mr. MACKENZIE KING: Does my hon. friend think the government will entertain any such absurd request?

Sir HENRY DRAYTON: I really do not know what absurdity this government would not do if they thought it would pay them to do it. Why, this is no more absurd than what we went through the other night. This is very very little worse than the Petersen contract; it is only a difference of degree. So, Mr. Chairman, while I admit it is ridiculous, I frankly hesitate to predict bounds to the government's powers of erring and of error. So I will have to leave that particular thing to my hon. friends right there.

Mr. McISAAC: How does it compare with the contract of the Bridge River Power Company?

Sir HENRY DRAYTON: Perhaps we had better deal with one thing at a time; my hon. friend will hear all he wants to about that later on. Now let us see what rates they get.

Mr. GRAHAM: No, what rates they ask for.

Sir HENRY DRAYTON: Quite right.

Mr. MEIGHEN: We were told they did not ask for any.

Sir HENRY DRAYTON: We are always learning something. My hon. friend's sleeve is getting narrow; we are getting nearer the heart of the matter. Now the clause as to this power is clause D. They are granted all the hydraulic powers created under this contract if it went through.

Mr. CANNON: If my hon. friend wants to be fair he should deal with this as a contract which is submitted, and not as a contract which has been acted upon.

Sir HENRY DRAYTON: I have said that often, have I not? I am just talking about

what this lease would do if put into force, I am not saying it is put into force. What I am doing is explaining the nature of the obligation which we could not find anything about.

Mr. CANNON: My hon. friend's English is very poor, then.

Sir HENRY DRAYTON: Perhaps so, but it is at least truthful:

All hydraulic power created by the said navigation, works, as extended, enlarged and improved as herein provided together with the right to generate, sell, transmit, convey and deliver the electrical power available through utilizing all of the water flowing to the dam forming part of the navigation works herein provided, and not required for the operation and lighting of the said present Carillon and Grenville canals, or of any canal or canals that may be constructed in addition to or in substitution for the said present canals or any of them, subject, however, to the obligation on the part of the company in respect to export to make available from Carillon or elsewhere at the power house of the company at or near Carillon for the requirements of Canadian municipalities, cities and other consumers for use in Canada electric power of the frequency and voltage of the company's plant up to a total of 100,000 horse power which shall be available to such Canadian consumers at the same average load factor as the balance of the load on the company's plant.

I just stop to point out there that I do not know from this file the amount of power that is to be developed. Perhaps my hon. friend the minister knows what the proposition is?

Mr. GRAHAM: I would rather reply to my hon. friend when he gets through; I do not want to interrupt him.

Sir HENRY DRAYTON: But I am looking for the interruption.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: There goes the general chorus. There goes a chorus which is a real chorus, which can always be counted on to fill in. But just look where we are.

Mr. GRAHAM: Does my hon. friend want me to answer him now?

Sir HENRY DRAYTON: I want the information because it might cut out a whole lot of what I have got to say.

Mr. GRAHAM: As a matter of fact I have never read those proposed leases, and have never considered them for a minute. I never saw them until Friday last, and I was not considering them at all. Those leases have never been brought before me and I do not know what is in them.

Sir HENRY DRAYTON: That is not the question I asked my hon. friend.

Mr. GRAHAM: What was it?

[Sir Henry Drayton.]

Sir HENRY DRAYTON: I asked my hon. friend how much power was proposed to be developed?

Mr. GRAHAM: I do not know what is in the leases.

Sir HENRY DRAYTON: This does not say.

Mr. GRAHAM: In the case of the National Hydraulic I think there was a proposed development of 400,000 horse power; but I do not know what is in those leases because I never read them.

Sir HENRY DRAYTON: If this is an extension of the former idea, under this contract the right would be given to raise the dam to a height not exceeding 133 feet, and if the old plant would produce 400,000 horse power I would assume this would produce a bit more.

Mr. GRAHAM: The National Hydraulic asked to raise the level of the water to 133 feet.

Sir HENRY DRAYTON: It is the same in this.

Mr. GRAHAM: If these leases contain the same request that horse power would apply to this request.

Sir HENRY DRAYTON: That would be the same thing. Well then, we have a proposition looking to the development of 400,000 horse power. Out of that amount 100,000 horse power would go to the Canadian user; but he is given that right in such a way that if the idea was to see that no Canadians used the power at all it is pretty well looked after, having regard to the district, having regard to the municipalities to be served, and the like, because there is a limitation as to the amount that can be held over, the clause reading:

The company shall supply such electrical energy to such Canadian consumers in blocks of not less than 10,000 horse power and at reasonable rates and on reasonable conditions such rates and conditions (other than those herein specified) in the event of disagreement between the parties to be determined by the Board of Railway Commissioners for Canada.

I point out that none of the municipalities of ordinary size is ever going to want anything like 10,000 horse power, if my hon. friend looks at the list of municipalities taking power from the Ontario Hydro-Electric, he will find very respectable sized places getting along with less than 10,000 horse power, but the limit here is 10,000 horse power. Then they have got to put in their requisition for that power within two years from the 1st day of October, 1924.

Mr. BRISTOL: By whom and how delivered?

Sir HENRY DRAYTON: That particular is not given at all. I suppose the company will have to hand it over to the municipality, but that is not covered. Then it says:

In the event of the total of such requirements being less than 100,000 horse power the company shall be obliged to furnish the remainder of such 100,000 horse power or any portion thereof on notice from the minister that the same is required by Canadian consumers.

But if they do not go into it, in the first instance, the right to give that notice is only at the expiration of the five-year period, January 1, 1931 and January 1, 1936, and so on. It is perfectly obvious that the real intent of the whole of this draft is to look after export, and that the provision that is put in as to Canadian users is just another smoke screen. Then as to their right of export this document says:

Such surplus of electrical power at the said works of the company as may from time to time during the terms and renewals contemplated by this indenture be available for disposition after the company has fulfilled its obligations in respect to Canadian supplies as hereinbefore defined may be disposed of by the company to customers in the United States or elsewhere subject to compliance with the requirements of this contract, and the company in addition to all other rights and powers granted to, conferred upon or possessed by it is hereby vested with and may exercise all the rights of the lessor to export such surplus electric power but over the transmission facilities of the company and in so doing shall be the agent of the lessor acting for the use and service of the crown.

I just point out there that if any action is ever taken on this request, there is no necessity to get any license at all. The contract is plainly drawn for the purpose of getting around the act as to the export of electricity. That act does not apply to the crown; it does apply to ordinary companies exporting. But in this case the applicant, the mysterious clients of Messrs. McGiverin, Haydon & Ebbs, with a view of getting round the point, have struck upon the novel idea of putting themselves in the position of the crown, exporting as agents of the crown and in right of the crown. A more absurd proposition I think could hardly be conceived. The only trouble is that my hon. friend did not throw it out long ago. It would be better if he had read it and thrown it out, and we would have saved some time.

Another clause is put in for the purpose of saying that as to that export business the company is to be left to themselves, because that clause is put in on behalf of the company, and provides that these people who make the contract can export and the whole export is to be left to them.

The other contract was very very largely the same. I frankly do not think there is any good in either of them, or that anything can be said in favour of either of them. They both have these long terms to run, they both have the absolute right to export; and if they did not get that, if the substitution was not enough, there is another clause put in under which, under the further assurances, the government has the power to give them all the licenses that are necessary.

There is another clause to which I wish to draw my hon. friend's serious attention. I do not know whether he will tell us frankly and fairly that this whole thing is gone, but I want to tell him. The proposition is just as he says, to develop 400,000 horse-power. From what little we have heard about it, it will not be possible to develop that horse-power there. And the company do not think they can, because they have another clause in the contract which gives them the right to supplement this power with power obtained wherever they can get it. The effect of this audacious proposition is this: Suppose there were only 200,000 horse-power at Carillon and the company could show there was a demand in the United States for the whole 400,000 horse-power, then, under this ridiculous proposition, they would have the right to go anywhere else, get that power and export it.

Now, Mr. Chairman, these are very long contracts, and it would take some time to go through them, but I do not think it should be necessary to do that. I think the House is entitled to a frank statement to-day from the government. The last time we were discussing this matter the government knew nothing about it. The last time we were dealing with the question no applications had been made.

Mr. GRAHAM: Not to the government.

Sir HENRY DRAYTON: I do not know any way in which the applications can be made except through the minister who has the matter in charge. Now sometimes subterfuge can get almost too thin.

Mr. GRAHAM: Allow me to straighten out the matter, and let the hon. member keep cool. There was no suggestion made that there had never been any application to the Department of Railways and Canals. I think the answer given by my right hon. leader (Mr. Mackenzie King) was a correct answer.

Mr. MEIGHEN: How would an application be made except to the government, through its official channel?

Mr. GRAHAM: When I get through—

Mr. MEIGHEN: Will my hon. friend not answer the question?

Mr. GRAHAM: When I get through.

Mr. MEIGHEN: But before you get through?

Mr. GRAHAM: I cannot answer until I get through. As a matter of fact, none of the applications was ever taken to the government by the Minister of Railways, and the government never considered one of them.

Sir HENRY DRAYTON: It is like the difference between Tweedle-dum and Tweedle-dee.

Mr. GRAHAM: Tweedle-dum in this case is willing to take all the responsibility for what he did not do.

Sir HENRY DRAYTON: My experience is that all applications considered by the government, treating the government collectively when sitting in council, came through the report of the minister, and I do not know how they could come to them in any other way.

Mr. GRAHAM: They never made a report.

Sir HENRY DRAYTON: I do not know how anyone could make an application except in the first instance by sending it to the department, and the application here is made to the department.

Mr. MACKENZIE KING: My hon. friend expressed it accurately that time. He said the only way a matter came to the government was on the report of the minister. Now, the government has never had it before them, because there was no report by the minister.

Sir HENRY DRAYTON: I agree with my hon. friend in that statement but my hon. friend is wrong—

Mr. MACKENZIE KING: No. Now I think it would shorten matters if I would apologize humbly to my hon. friend, I never intended to be wrong; I never intended to convey any other meaning than what I am expressing now, namely, that the government had received no report through any minister on this matter and had not considered it at all. As to what applications there may be in the departments, I cannot speak for the government. I was speaking for the government as a whole, and I think I made that point clear. There may be in different departments a thousand applications of which I have no knowledge. But I have and should have a knowledge of matters that come before the government on the report of a minister.

[Mr. Graham.]

Sir HENRY DRAYTON: We shall take it in that way; but what I was trying to find out was whether this was being pressed and who was pressing. It can be pressed only through a department. My right hon. friend (Mr. Mackenzie King) thought I was referring to the council. I was not. There is, however, an end of that. The minister may tell us whether something is going on about this, whether the thing is absolutely dead. It should never have lived at all. What is the situation?

Mr. GRAHAM: It has not been born yet.

Sir HENRY DRAYTON: We are delighted to hear that; but I should like to know whether Messrs. McGiverin, Haydon & Ebbs have any object in putting life into these dead bones or not, and who is behind the thing.

Mr. FORKE: I confess that I am considerably puzzled to get the meaning of all this sort of thing. The ex-Minister of Finance (Sir Henry Drayton) has got hold of a draft contract of some kind which the government denies knowing anything about. Am I correct?

Mr. MACKENZIE KING: Hear, hear.

Mr. GRAHAM: It has never been considered.

Mr. BOYS: The Prime Minister says, "hear, hear." The hon. member had better get a straight answer.

Mr. FORKE. The ex-Minister of Finance should tell us where he got this contract, how it came into his hands.

Sir HENRY DRAYTON: We asked that these papers, which are ordinary governmental, departmental papers, should be tabled in the usual way, just as in any other case, and they were laid on the table yesterday afternoon. They perambulated around a bit; I managed to get hold of them at twenty minutes to one, and I was apologizing for not knowing the whole details of the case. The reason for that was simply because I had not had time to study them. There is no mystery about these papers at all; the mystery is as to who is behind them, what is going to be done with them, whether a thing that ought to be thrown out at once will be thrown out.

Mr. FORKE: Apparently this application may have been sent into the government and it may never have been considered. That is as far as I can understand the matter. I do not know whether the proper thing was to

put these papers on the table unless they had had some notice or consideration by the government. Perhaps I am floundering a little, but again I confess my ignorance. I should like to get at the bottom of this matter.

Mr. GRAHAM: May I be permitted, as far as I can in my humble capacity, to throw a little light on it? In the first place, these papers were in the Department of Railways and Canals, the hon. gentleman is quite right in that. It is questionable whether papers that had never been considered were covered by the request of the leader of the opposition (Mr. Meighen) and I read his remarks carefully—but so that there could be no question as to the Department of Railways and Canals bringing down everything it could find high and low, I brought down correspondence even from Sir Robert Perks on the Georgian bay canal, because it referred to this particular stretch of water. Allow me to give a little history. My hon. friend was somewhat astray, but not materially. The first lease was given in 1908 at the Carillon dam where the canal is—and that is why the matter comes under the Department of Railways and Canals—to the late Crawford Ross to develop 250 horse-power,—just a small development is given along nearly all the canals in the system. In 1911, that lease was transferred to a company which, I think, is called the National Hydro-Electric. The lease was enlarged a little, some new clauses being put in, but I think the total development under that would be only 500 horse-power. As a matter of fact, that lease has been honoured by that company, and at Carillon at the present time and for some years there has been a development of 250 horse-power. These two leases for this small development were, I am glad to say, signed by myself as Minister of Railways and Canals. The 250 horse-power lease was operated and is still in operation. In 1913, when the late Mr. Cochrane was Minister of Railways and Canals, a new application was made to him by the same company, if I remember correctly, to allow development which would mean an increase in the height of water to 115 feet. The development under that would have been a great deal larger; I think it would have been 100,000 horse-power. The arrangement was made, but while the then Minister of Railways and Canals, the late Mr. Cochrane, had the lease prepared, it was never executed. Some time later, I think it was in October—the date is immaterial—

4 p.m.

Mr. MANION: With whom was the lease in 1913?

Mr. GRAHAM: The lease that was not executed?

Mr. MANION: Yes.

Mr. GRAHAM: I think it was the same National Hydro-Electric. I do not wish to be held too closely to the names of these companies; the name has changed several times, but to my mind it is always the same people with a new company.

In 1920, or approximately, a communication was had, I think with the Department of Railways and Canals, asking for some new construction, referring to the 1913 proposed lease. On November 25, 1921, an application was made for a lease of this power with the right to increase still further the height of water to 120 feet. This, as the engineers tell me, would enable a development of from 100,000 to 150,000 horse-power, and with certain other works the development would reach 300,000 horse-power. I may be wrong in some of the details, but this is the history of the power at Carillon. In none of these leases, so far as I have ever known, was there any export. That is quite evident because the place to get the right to export is in the Department of Trade and Commerce. I have very grave doubt if any clause put in a lease would override the statute of the Department of Trade and Commerce which provides for regulations as to the term of export. It is a mistake to say that the restricted term of one year is in the statute. The statute which has been in force for some eighteen years is quite broad. It allows the government by order in council to regulate the period for which export can be permitted. In fact it gives the Governor in Council quite broad powers, extending even beyond this one particular point. But as a matter of fact the export of power is, under these regulations, confined to the term of one year, and I am very doubtful if any contract such as my hon. friend has read would be legal; certainly no person could borrow money on it unless it were in conformity with the statute. In these negotiations time and again the Department of Railways has been approached for the issuing of a new lease, but no new lease has ever been issued. While on this file there appears a copy of an order in council made a few months ago authorizing the Minister of Railways to again renew the lease to the National Hydro-Electric Company, I may say that that power has not been exercised, and to-day there is no lease to anybody beyond that for 250 horse-power.

Sir HENRY DRAYTON: As I read it that company takes the place of the other company.

Mr. GRAHAM: Let me correct my hon. friend. This lease which we found in existence in 1921 has, I think, been renewed once. Verbal application was made for renewal for another term, and an order in council was passed giving the Minister of Railways the right to renew it. An officer of the department, without instructions, signed a renewal and sent it out; the Minister of Railways himself recalled that renewal; so to-day there is no lease in existence for this power at all outside of the 250 horse-power. My hon. friend has been led astray by the order in council authorizing the minister to grant a renewal, which authority he did not exercise.

Mr. BOYS: Is that lease renewed from year to year pursuant to the statute which the minister referred to?

Mr. GRAHAM: No, this was not for export at all. In the lease a certain time was given for the doing of certain work, and when that work was not done the time was extended once. My hon. friend has dealt with these proposed leases, submitted by the Carillon Industrial Company, but I am free to say that I have not read them myself.

Mr. MEIGHEN: Will the minister say that the fact of the application of the Carillon Power Company was not brought to his attention by his officer?

Mr. GRAHAM: The fact was brought to my attention that there was an application, but I was not considering the application at the time it was made, and it was never brought before me for action. I never read it, and never considered it, and I have heard more from my hon. friend of what is in the lease than I ever knew before. Until Friday last I had not read the letter, because while there has been a good deal of discussion with the Department of Railways and Canals for the last two or three years for the proposed new lease, it never came to the Minister of Railways for final consideration. I do not want to be misunderstood, because it is all quite plain and open. I discussed it once or twice with the solicitor and the engineer, and with Mr. Robert himself, but no action was ever taken on these suggestions, not the slightest. Now, I ask my hon. friend, if when he was Minister of Finance he had received an application from a bank to do a lot of things for that bank, and did not do them, would he be held responsible for the bank writing to him?

[Mr. Graham.]

Sir HENRY DRAYTON: My hon. friend is perfectly right. But I would be held responsible if I denied having received the letter.

Mr. GRAHAM: I never denied having received the letter, I never made any such suggestion.

Sir HENRY DRAYTON: Well, the application.

Mr. GRAHAM: I never denied receiving the application.

Mr. BRISTOL: We are discussing a very interesting subject, and I should like to know if the minister has received any opinions from the Department of Justice as to the right of the Dominion to grant a lease of power such as has been discussed, as against the rights of the provinces of Ontario and Quebec?

Mr. GRAHAM: That matter is under consideration. But my hon. friend should have had that question raised when this lease was being made in 1921 by his own friends.

Mr. BRISTOL: It has never gone through, so there is plenty of time.

Mr. GRAHAM: It is a very big question and is being considered now. This power has been under lease for a good many years. But it is a perfectly legitimate question to ask.

Mr. BRISTOL: It would be rather dangerous for the Dominion authorities, for they might have to face an action for damages if it turned out afterwards that the Privy Council declared the provinces had the sole right of granting the lease of power we are discussing.

Mr. GRAHAM: But this government has not made any lease; its predecessors did. Now, my right hon. friend (Mr. Meighen) referred to the Board of Railway Commissioners. Well, that is not new. As a matter of fact I had the honour when I was in the House before, and the Trent Valley development was being discussed —in fact it resulted in litigation between the Ontario government and the federal government—I had the honour at that time of introducing a measure giving the Board of Railway Commissioners power to settle power rates as between producer and consumer in case there was any difference of opinion. My hon. friend has not given me very much to work on. As a matter of fact, we have been discussing two documents which have been in the Department of Railways and Canals, and which have had no consideration whatever on the part of the minister. The government

cannot be held responsible as a whole for what was in my department; and I submit to the House that I am not responsible for documents in my department if I do not act on them. If I come to my colleagues in council with a recommendation to lease this power, then I would be responsible for what I was recommending; but any person in the known world may file any document he likes in the department, and I am not responsible for it unless I commit the government or the country to something which is contained in that document. I think that is fairly well cleared up, unless some hon. member wants me to discuss further these mythical propositions which have no significance whatever. As to the people behind the proposal, as a matter of fact if the Minister of Railways or the government ever proposed to act on the request contained in this proposal for a lease, they would have the right to demand and the right to tell parliament and the country who really was behind the proposal and was getting the lease; but so long as the request is not acted on, to my mind it is immaterial who is making the request.

Now, as to the export of power itself. My hon. friend has asked me a question as to what the government proposes to do. This question is one of great import. No government in this country, either federal or provincial, has ever declared itself against the export of power in practice—they have in theory, but never in practice. At the present time I am not expressing an opinion on the export of power. I want to face it squarely. It is such a big question that conceivably conditions might arise at times when the export of power would be essential. It has arisen with the Hydro-Electric of Ontario when they admit it to be highly essential to export power. I am not criticizing that action.

Sir HENRY DRAYTON: My hon. friend is not putting that quite clearly. The Hydro-Electric of Ontario do not for one minute deem it necessary to export power. Unfortunately they are in a position where they cannot help themselves, they have got to export power.

Mr. GRAHAM: Why have they got to do so?

Sir HENRY DRAYTON: They are bound by a contract which was made by the company which they took over, a contract which was validated and which has yet twenty-five years to run.

Mr. GRAHAM: Apparently my hon. friend has not studied that contract any more than he has this file. Within the last few months the Ontario Hydro-Electric has asked for the right to export 45,000 horse power per year off peak load. That is because they can make some money out of it, of course.

Sir HENRY DRAYTON: I do not think my hon. friend should say that that is the policy of the Ontario Hydro-Electric Commission. The position in Ontario is simply this. For the moment—I hope it is only very temporary—industrial Ontario is in such shape that they have now got this surplus power, and the commission are given the right to export it temporarily. And it is the same thing with the other producers.

Mr. MACKENZIE KING: Does my hon. friend think they should not have that right?

Sir HENRY DRAYTON: I will deal with that in a moment. The Canadian Niagara Company are in exactly the same position. Their Canadian consumers, owing to lack of business, cannot use to-day the 20,000 horse-power which they ordinarily use, and what has been done is this. An arrangement is made under which that 20,000 horse-power is not to be used for the purposes of new contracts, is not to be used in connection with any new industry in the United States, or any new municipality; all that can be done with it is to have it take the place of just that much coal. So that there is no string on it which would put us in the unfortunate position we have been in in connection with other contracts. The power exported is simply taking the place of coal, and that is absolutely right and proper.

Mr. GRAHAM: That is just what I was coming at. If parliament were to instruct this government to say that the export of power should not be allowed under any conditions, then the Ontario Hydro-Electric Commission could not export a kilowatt of power, no matter what the reasons were.

Mr. MACLEAN (York): If the minister will pardon me: If after careful study of the whole question it was found to be in the interests of Canada to keep the power here, then it should not be exported. That study has not yet been made, and it is the duty of the government now to make it.

Mr. GRAHAM: Mr. Chairman, I hope Hansard will remember that this is my speech. I am doing my best to struggle along with it; I will get to all these points if there are not too many interruptions.

An hon. MEMBER: They are all helping you out.

Mr. GRAHAM: They are all making it clear that it would not be businesslike to say that under no circumstances should the export of power be allowed; because if that were done the Ontario Hydro-Electric Commission would be prevented from exporting under its licenses, which give it the right to export 152,000 horse-power. Now, it does not export that amount, but it has the right to do it. I submit that the Hydro-Electric are proceeding properly when they seek to get some income from a peak load with the view of keeping rates down to those who use power here. Should we say that under no circumstances might power be exported, all the companies in Canada who export would have to increase their prices to the Canadian consumers. That is the attitude the government takes. It is the attitude that has been taken by every government of Canada during the last eighteen years. It is the attitude followed right through by the Ontario government, and it is the attitude taken by the Quebec government in allowing power under its leases to be exported.

Mr. MEIGHEN: Does the minister say the government takes the attitude that more power than is now under license for export should be licensed for the purpose of serving new industries or new municipal uses in the United States?

Mr. GRAHAM: That is just what is being done now, except the creation of new power.

Mr. MEIGHEN: I am asking, is the government in favour of that policy?

Mr. GRAHAM: I am stating the government's policy. I am pointing out that my hon. friend's supposed policy the other night is not practicable; is not followed by his own friends in any province; is not followed by any government. In the production of power business demands that under certain circumstances, such as those existing in connection with the Hydro-Electric projects, an export of power should be allowed.

Mr. MANION: Temporarily.

Mr. GRAHAM: I will come to that. I want to nail it down fast and tight that the policy of any government looking to the welfare of the Dominion of Canada and to the development of power in Canada should not be a prohibition of the export of power under all circumstances to the United States; for the result would be at one fell swoop to bring about increased rates on the part of the hydro-electric power projects in Ontario as well as on the part of other companies.

[Mr. Graham.]

Let me go a little further. My hon. friend (Mr. Manion) suggests that the export should be temporary; I am coming to that. The legislation of the parliament of Canada has been sane along these lines. The regulations adopted in 1907-08 by the Laurier administration were sane. They restricted by regulation under the statute the period of time for which licenses might be granted, limiting it at twelve months. That was wise. The hon. gentleman may say that that might permit the establishing of vested rights. What vested right could be established in twelve months? None, and none has been so established. This regulation restricting the export of power to a period of twelve months is notice to the United States users that this supply of power to them is not permanent; that it can be taken away from them at the end of any twelve-months period. It is notice to every person concerned that this is only temporary. I want to put it again, as strongly as I can, that the policy of this government in power is the policy that has been adopted in Canada and successfully followed during the last eighteen years. It is the policy that has been practised by the Hydro-Electric Commission of Ontario and by the companies, and it is a policy under which every interest is safeguarded so far as the Canadian user is concerned.

Mr. MEIGHEN: There are two or three matters under review, if we may take the speech of the Minister of Railways as a sample. The question of the export of power and the proper policy to pursue is one subject; the question of the leases to develop power and the history of those leases is another; the question of the conduct of the government in relation to this particular Carillon application is wholly another. It was the latter that the hon. member for West York brought up. As to the first, I do not propose to discuss it at any length now. Suffice it to say that if the government's policy is now matured and ready for presentation to the Canadian public on the whole subject matter of the export of power, it is strange that we have had such a long silence. It is strange that we should have such vague terms as those to which the Minister of Railways has just given expression. It is strange that he should postpone indefinitely an answer to my direct question; it is strange that when the delegation was here, the answer given, according to the Prime Minister on Thursday last, was merely that the government was as mindful of Canadian interests as any member of the House of Commons and would look after Canadian interests in the matter of power

policy. One would have thought that the government's policy would have been stated direct when this delegation was before the administration asking for a fixed-term license for the export of large quantities of power. One would have thought that the minister would have said to me Yes or No when I asked him wheather the government was prepared, or was not prepared, to grant licenses for export of power for the purposes of new industrial enterprise or new municipal uses in the United States. This and this alone is involved in the question of the export of power. No member of this House can say Yes or No, judging from the minister's speech, by way of answer to that question.

As to the history of power leases, I do not think there is anything in dispute. I do not know why it is necessary to confuse the issue with that question. Leases have been granted dating back for many years for power development in this country. The last granted in respect to this site was in 1921. So far as I have ever heard there is no criticism of the granting of the right to develop. If there was criticism, it will suffice to answer it by saying that the government renewed the lease so granted. So this may be brushed aside for the moment, and the question is, what has been the conduct of this government in relation to this Carillon power development? It is not a mere incidental or whispered subject. It is not a mere minor incident of government policy. Everybody knows it has been before the government of Canada for months in a most prominent form. It has been the subject of importunities of delegations. It has been the subject of newspaper discussion. It has been the subject of acute controversy. It has been the subject of propaganda of a most skilful and pronounced type. In this state of affairs the government was asked on Thursday last where it stood on the matter, and specifically was asked whether an application had not been made to the government for the export of a large quantity of power from a proposed Carillon development. Now it is with the answer of the government to that question that I am chiefly concerned. The answer amazed me at the moment. I could not understand the government being in the position it claimed to be in—that the delegation should come, that all the controversy over the alleged application had gone on, and in the face of all these things that there had really been no application at all. The hon. member for West York (Sir Henry Drayton) was most explicit in his questioning. I read what he said, at the bottom of page 3225 of Hansard:

Does the government seriously want the country to understand, after what I think everybody knows has been going on not only for weeks, but for months, that it does not know how much power is sought to be exported? What does the government say? That it does not know how much power the promoters of this new exploitation think they should have the right to export? If the government wants to say that it does not know, I shall have to take that answer, but it will surprise many people.

Mr. Mackenzie King: If I may speak for the government, I will say that the government does not know.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: And he now says, "hear, hear." He continued:

There has been before the government no application that I am aware of, and the government has nothing before it to consider.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN:

The hon. member is simply wasting the time of the committee in asking these questions.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN:

Even if there had been an application, is there anything in that to which the hon. member could take exception?

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: I always wait for the "hear, hear":

Sir Henry Drayton: I would want to look at it before I would know. The right hon. member forgets all his pre-election discussion—

Mr. Mackenzie King: What does my hon. friend want to discuss? An imaginary application?

An imaginary application! I waited for the "hear, hear" in vain that time.

Some hon. MEMBERS: Hear, hear.

Mr. MEIGHEN: I can draw out any confirmation however absurd:

Mr. Mackenzie King: What does my hon. friend want to discuss? An imaginary application?

Sir Henry Drayton:—of the whole of this question as to the export of power, and I am going to tell my right hon. friend that I think I would be unkind to him to take altogether seriously the idea that nothing has been said to him about the export of this power.

Mr. Mackenzie King: I simply say to my hon. friend that I will not permit any insinuation of the character he is making at the present time. No application whatever, that I am aware of, has been made to the government with respect to the export of power.

That is the second assertion.

Sir Henry Drayton: I was not talking about that technical word "application" at the moment. I wanted to know whether the Prime Minister had not been approached in connection with this very question of the export of Carillon powers.

Mr. Mackenzie King: My hon. friend knows that I presided at the gathering at which a deputation stressed from their point of view the advantage it would be to many municipalities to permit a certain amount of power being exported. And this is all public knowledge. Surely municipalities have a right to present their own

point of view to the government. But I repeat that the government has received no application and has had nothing before it to consider.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: It is amazing that "hear, hear" should come to this—"the government has received no application and has had nothing before it to consider." He does not even put in the proviso that is in the other two statements; he makes an absolute assertion.

Mr. MACKENZIE KING: My hon. friend will do me the justice of assuming that I was making that statement in the light of the other ones which were made before everyone present.

Mr. MEIGHEN: I am ready, so far as the Prime Minister is concerned, to insert the proviso there:

But I repeat that the government has received no application and has had nothing before it to consider—

I will consider the proviso inserted there.

The reply given to the deputation was that the government was just as conscious as any member of this House—

I think there was a slip there.

Mr. MACKENZIE KING: I think my hon. friend is right there. I think I used the expression "conscious as any member of parliament."

Mr. MEIGHEN: It does not make much difference:

The government was just as conscious as any member of this House of the importance of considering the future needs of Canada and protecting the requirements of the Dominion against any possible encroachment from any direction.

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: If that was the answer and the government knew what its policy was, it was a very, very strange and unsatisfactory answer to give the delegation. He continued:

The government is just as sensible and as watchful of the interests of the provinces and of all classes as any deputation that can come before it, and it has so stated.

This, of course, is the statement of the Prime Minister to the House, not what he said to the delegation:

What other position does my hon. friend wish the government to take in the matter?

Then the Prime Minister kept on repeatedly asserting it was all right for delegations to come, which, of course, nobody had ever disputed.

Now when these assertions were made by the Prime Minister, there were seated on the government benches the Minister of Trade and Commerce (Mr. Low), who has to do with questions of export of power, and who must give the licenses; the Minister of Railways and Canals (Mr. Graham); and several other members of the government. While the Prime Minister was repeatedly asserting that no application even had reached the government, the Minister of Railways was aware that in his department there was an application and that the fact of that application had been brought to his own personal attention. Now, have I overstated the truth?

Mr. GRAHAM: I would not think so except that the application is wrong.

Mr. MEIGHEN: I have not applied it yet, but I think every other hon. member of this House has applied it. While the Prime Minister was declaring in all these assertions that there was no application that had reached the government, that it was purely imaginary, the Minister of Railways, who knew of the application, who had personal knowledge of it, sat silent in his seat and did not correct the Prime Minister; and this whole country got the idea, and this whole country could not avoid getting the impression—and not only the impression, but it was asserted to the country positively—that this matter had not even got to the stage of an application. But for the fact that, before that vote was allowed to pass, so far as we could we insisted upon the papers being brought down departmentally, the country would not know yet there had even been an application for the export of power from Carillon falls. It comes to light through the press yesterday, and even as yet only one of us has had time to read the return, and he has only partially got through it.

Now the fact is that an application as astounding in its audacity as any ever presented has been before the government for months, lying in the government files, and lying there without repudiation, without one negative word going to those who are behind the application. Not only so, but the application comes from a firm of which a member of the government is a partner himself. I do not think that member of the government was in this House when this rather amazing interlude took place on Thursday last.

Mr. GRAHAM: I think it would be fair to say, Mr. Chairman, that the hon. gentleman if I remember the date correctly, was not a member of the government at the time the application was made.

Mr. MEIGHEN: That may be so. I think from memory the hon. member for Ottawa (Mr. McGiverin) came into the government of the day on the 5th of November last. Perhaps his activity in connection with this application accounts for his ascension in public life. At all events it was coincident therewith. But the fact is that one member of the firm which promoted the whole scheme is a member of parliament who a few days afterwards became a member of the government itself, and whose stenographer is secretary of the company which proposes these things to the people of Canada. The other member of the firm is a senator appointed by this administration and now sitting in the upper house. Now, does the government really think this is treating the people of Canada as they deserve to be treated? Does not the Minister of Railways to-day think it was his duty to have corrected the Prime Minister when those statements were made on Thursday last?

Mr. GRAHAM: My right hon. friend and the House have heard the Prime Minister's statement. I say that this government is composed of ministers in whom the Prime Minister has confidence, and they do their own jobs. When they want the advice of the government on something they take it to council; but in other affairs that are properly departmental they act on their own initiative.

Mr. MEIGHEN: Perhaps other hon. members can get the connection between the answer and the question—I cannot.

Mr. GRAHAM: I am not responsible for the question, I am only responsible for the answer.

Mr. MEIGHEN: I asked the Minister of Railways why—seeing that he was sitting in his seat when the Prime Minister was assuring the House there was no application—he did not correct the Prime Minister and assert there was an application which he had never considered.

Mr. CANNON: The Prime Minister said there was no application to the government.

Mr. MEIGHEN: Not to the government?

Mr. CANNON: Certainly not.

Mr. MEIGHEN: An application made to a minister, as a member of the government, is not made to the government?

Mr. CANNON: Certainly not.

Mr. MEIGHEN: Why, every return brought down in response to a motion for correspondence between any person and the department, or between a minister and any other party, is brought down as a return from the government.

Mr. MACKENZIE KING: My right hon. friend will probably allow me to remind him of the remark made just a moment ago by his colleague when he said that when a matter came before the government for consideration it was brought before them by a minister, and he was discussing something that was not before the government for consideration. That was the whole point I had in mind when I spoke for the government in that regard.

Mr. MEIGHEN: By that is meant the Governor in Council. But there is not a member of this House who did not understand that those men who want this right to export power had never made application for it at all—not a member of this House who did not so understand it. Now I am not going to question the veracity of ministers, inferentially or otherwise, but I do question their frankness; and I say it is a very stange inattention to duty on their part that a matter of this paramount consequence should be allowed to hang between heaven and earth for months, with a great newspaper controversy raging about it, with great public interest centred upon it, and never the applicants advised what the government's policy was, and never the public advised what the attitude of the government was toward the application. This is certainly a remarkable way for the government to attend to its work.

Mr. MACKENZIE KING: I ask my right hon. friend, does he not think the government is entitled to see how public opinion views particular questions?—that in matters of great importance of this kind it is wholly in the public interest to allow plenty of opportunity for controversy before the government makes a decision?

Mr. BOYS: "Wait and see."

Mr. MEIGHEN: The explanation of the Prime Minister is that they were treating the whole matter as a feeler, and their concern about the rights of Canada would depend upon the volume of complaint raised against the proposal. It would appear to me that the merits of the application should have been dealt with and disposed of in a day. The record should have been cleared and all concerned with such an application should have been advised right on the spot that no such thing would be considered or entertained on the part of this country or by any government of this country. Now, this is the question that is before this House. This follows upon what was disclosed here just a few

days ago in regard to a return which was manifestly, obviously, and shockingly false—although we are past that now—a return for the character of which there was no excuse in the world: I refer to the return produced by the Minister of the Interior in relation to Dr. Hume's report as to the oil question in the counties of Lambton and Kent. This government should take warning, I think, by these two incidents and see to it that the returns brought to the House and the answers given here are in full and frank accordance with the facts, and that great questions of public policy are not left to be dallied between opposing parties and the House led to believe—as to where the administration stands—led to believe by newspaper utterances and reports of many papers, that the government stands just where it now declares it does not stand. All this information as to the government's attitude was to be found in the newspapers, and I hold in my hand one newspaper in which the answer alleged to be given by the Prime Minister is reported, although the Prime Minister on Thursday last declared he did not give an answer to such an effect at all. Yet the fact that this answer had gone into circulation was an additional reason for an early statement of policy on the part of the administration. Now, on Thursday last when the report was read to the minister to the effect that in answer to the delegation he stated that he thought surplus power in Canada should be exported, his answer to that question was a direct negative. In order to show that I had ground for stating what I did I quote from L'Autorité, although I have seen the same statement in a great many other papers. The authority from which I quote has a long front page article extending over many columns, denouncing those who oppose the export of power and commending the Prime Minister's favourable attitude thereto, and his favourable attitude towards the application which was supported by the delegation in respect of which this news item appears.

Mr. MACKENZIE KING: Would my right hon. friend let me clear that matter up for him?

Mr. MEIGHEN: Perhaps I had better read this and then the Prime Minister can do so. I will have to translate it or try to do so.

An hon. MEMBER: Read it in French.

Mr. MEIGHEN: My French pronunciation is not very good. However, I will read the statement in French first and then try to translate it afterwards:

[Mr. Meighen.]

Puisse l'honorable Mackenzie King persister dans son attitude, lorsqu'il déclarait à une députation de 300 notables de la vallée de l'Outaouais que son gouvernement était favorable à l'exportation d'une partie du surplus de notre énergie électrique. A l'heure où le pays a besoin du revenu qu'il tirera de la taxe imposée sur cette exportation, où les ouvriers se plaignent du chômage, est-ce bien le temps de tarir de gaieté de cœur les sources du trésor et de priver des milliers de travailleurs du gagne-pain dans les travaux de Carillon?

Some hon. MEMBERS: Hear, hear.

Mr. MEIGHEN: That is very charitable on the part of hon. members indeed.

Some hon. MEMBERS: Go on.

Mr. MEIGHEN: This is how I translate the statement into English:

May the Hon. Mackenzie King persist in his attitude when he declared to the deputation of 300 notables of the Ottawa valley that his government was favourable to the exportation of a part of the surplus of our electric energy. At a time when the country is in need of revenue which it will draw from the tax imposed from this exportation, when the workers are complaining of unemployment—

This is important to a government supporter.

—is it indeed the time to withhold the gain to be got from our resources and to deprive millions of workers of their daily opportunity in the work of the Carillon?

This is merely by way of intimation of the source from which I, for one, received an intimation that the government gave a rather favourable reply to the delegation which waited on it, and this is only one of the newspaper reports to the same effect. Consequently I was quite justified in what I said with respect to this application. Furthermore, if a statement was made of the government's attitude towards the export of power, even in the very vague form stated by the Minister of Railways, it might at least have been conveyed in that form to the deputation.

Now I come to the question itself.

Mr. MACKENZIE KING: Perhaps my hon. friend will let me clear it up, as it would help to illustrate just how fair my right hon. friend is.

Mr. MEIGHEN: I think I have been remarkably fair in this matter.

Mr. MACKENZIE KING: My right hon. friend, in order to make his point, has been driven to discover a paper published in the French language some distance from Ottawa, and to read to us an extract therefrom. I think if my hon. friend had even desired to get the truth he would have taken a look at the Ottawa papers which are right at hand, in order to see how they reported that inter-

view at that time. If he had looked at the Ottawa Journal, which is his own organ in the city I think he would have got better information in regard to that meeting. I have in my hand the Ottawa Journal of May 5, which contains a report of the proceedings before the deputation. The report is headed:

Export by Carillon has consideration.
Premier King says proposal has wide bearing.

And this is the particular reference to my own remarks:

The Prime Minister reminded the delegation that the request they had come to make was not wholly of local or Ottawa Valley interest. It was an inter-provincial and international problem and there was keen opposition to the export of power.

There is not another word in the report which appeared in the Ottawa Journal, and the reporter of the Journal was present when that delegation made the application to the government. Then I have the report published in the Ottawa Citizen, which is headed:

Places interest of Canada first on power issue.
Premier King says this chief consideration in reaching decision on export question.
Deputation urges Carillon scheme.
Prime Minister says it is national problem. Cabinet to discuss it.

Then further on in the article I find the following:

Mr. Brown, mayor of Point Fortune, as a merchant, thought the development and export of power would help the country.

Return When Needed

The Prime Minister: "Do you think the Americans would object if we made strong reservations providing for the return of the power when Canada needs it?"
Mr. Brown did not think so. The Americans were willing to invest their money in return for the power.
The Prime Minister agreed Canada should sell anything she had a surplus of provided the future was not embarrassed thereby.

Those are my words. My hon. friend asked me a direct question, and I answered it in an honourable way. I told him I had not made a positive statement that Canada should export the surplus. I was perfectly aware of the words I had used, and if my right hon. friend had been the gentleman I always believed him to be he would have accepted my statement.

Mr. MEIGHEN: I distinctly accepted it, but gave this report as my reason for the question. This item appeared in many papers and should have been denied.

Mr. CHURCH: The industrial provinces of central Canada have long been impressed with the necessity for power conservation, but it has taken a long time for the towns and cities of the Ottawa valley and St. Lawrence river in Ontario to become convinced of the advantage of falling in line and getting behind hydro development. What the country wants is a national policy in regard to hydro power. I advocated a national policy for coal and I would also advocate a national policy for power and oil development as well.

I say that down in the municipalities in the Ottawa valley and along the shores of the Ottawa and St. Lawrence rivers, the people are largely responsible because they have not endeavoured until recently to carry out anything in the shape of a proper policy of assisting hydro progress and development.

The Ottawa valley has been practically isolated against the rest of the province in regard to hydro power. When this Carillon dam was started away back in 1911, the Hydro Electric was producing 1,000 horse power. To-day Ontario is using 700,000 horse-power, and there is an acute shortage not only in Toronto but all over the hydro systems except the Fort William development. The Ottawa district and the towns on the St. Lawrence river are suffering also from the scarcity of power, and the fact that they are undeveloped and stationary to-day is practically due to themselves and not the fault of the Hydro or provincial government of Ontario.

I may say the Hydro Electric in Ontario are very anxious to develop this Carillon power. I was on a deputation as president of the Hydro here ten years ago, with the hydro municipalities who came accompanied by Sir Adam Beck, J. W. Lyon of Guelph and others asking for the right to develop power in the Ottawa and St. Lawrence rivers. We wanted to find out what the intention of the government was with regard to development on the St. Lawrence and Ottawa rivers, but we got nowhere. Application has been made to this government for the right to develop power on these two rivers, but nothing has been done along that line. The Hydro Electric application to construct the Morrisburg dam, has been before the government, for some years now, and we have not had any reply from the government, with the result that the cities and towns on the St. Lawrence and the Ottawa are suffering from a scarcity of power.

Since this question has arisen there has been expended on power development in the other parts of the province of Ontario, $178,000,000. There has been more trouble getting something done on the Ottawa river than there has been in all the rest of the province. In the Niagara district $141,000,000 has been spent, although the water is taken from an international river. The Ottawa river runs wholly between two provinces of Canada, and no particular difficulties would arise in the development of this project. But the Hydro can

get nowhere for the people of eastern Ontario, to give them their due. The systems developed by the combination of municipalities which function through the Hydro Electric Commission of Ontario and on which $178,000,000 has been spent to develop power are as follows: Essex county, Thorold, Severn, Eugenia, Wasdells, Niagara, Muskoka, St. Lawrence, Rideau, Ottawa, central Ontario, and Trent and Nipissing. These systems of development are the ultimate financial base and foundation of this Hydro Electric Commission. In these cases the Hydro Commission has taken over the power of these systems, but the Ottawa valley has not taken over anything. The Hydro has only spent $26,000 in hydro electric development in what is listed as the Ottawa development.

The Trent system has involved an expenditure of $12,000,000. To give the midland counties relief the Seymour interests were purchased, and $870,000 has been expended on Ottawa's distribution system. The expenditure by the Hydro-Electric Commission, for the province of Ontario has amounted, all told, to $241,000,000, which includes $62,000,000 spent by municipalities on a distribution system.

A few parts of Ontario are suffering because of the failure of and mistake made by the government. One part that is suffering is the Ottawa valley; and one reason for that is that the Carillon rapids and the St. Lawrence and other powers are not developed. One mistake was also made in 1905, in not developing the water powers in New Ontario and electrifying the railways there. The great mistake of Sir James Whitney's life was when he prevented Sir Adam Beck, in 1905 after his great victory, from electrifying the Temiskaming and Northern Ontario Railway and utilizing it as a trunk power line to distribute power to the mines and for mining development in New Ontario and the Timiskaming district. It paralyzed the mining industry. Had that been done in 1905, Ontario to-day instead of having a gold production of only $40,000,000 would have a production of $350,000,000. If that policy had been carried out, instead of Ontario mines employing only 30,000 or 40,000, the number would be in the neighbourhood of 100,000. And the failure made in New Ontario in 1905 will be repeated in the Ottawa valley, unless the municipalities and the provinces get together.

I should like to see the question settled because I think it should be settled in a big way for the benefit of the people of Quebec and Ontario as well, and we should not wait until it is too late. The government of the province of Ontario has had an application in for this power for a long time, also an application for the power at Morrisburg, and they are unable to have those applications granted.

There is another province suffering for lack of power. Notwithstanding the fact that Ontario has spent $241,000,000 of money on this project and is generating now 700,000 horse-power, there is not one horse-power left to-day in Ontario. If you apply to the Hydro-Electric Commission to take care of your load and give you direct current, they will not give you a contract because there is no power left and no power available. That is shown in the last report brought down by the Minister of Mines, the annual report for 1925 of the Water Power and Reclamation service, page 23, where he shows the demands of the province of Ontario, and he goes on to refer to the utilization of well developed water power and says:

> The 3,227,414 horse-power at present installed in this country may be classified as follows:
>
> 2,411,701 horse-power in central stations for general distribution for all purposes.

This report refers to the total distribution of water-power in Canada, and there is a short paragraph dealing with the past, the future growth and the utilization of water-power in Ontario, chiefly eastern Ontario, and Quebec. It shows that the water-power development in Canada has grown from 975,000 horse-power in 1910 to 3,227,000 horse-power to-day; central station installation growing from 605,000 to 2,411,701 horse-power and pulp and paper installation from 191,000 to 498,000 horse-power. We have an answer right in the government's own report against the export of power. The Minister of Mines has had an expert hydraulic engineer report on this question and he says:

> There is every reason to believe that this rate of growth will not diminish. New uses for electric current of the greatest import in industrial processes and services are being constantly discovered. Canada's strategic advantage in the location of large reserves of water-power within transmission distance of her centres of population should attract special industries to these centres in increasing numbers. Population follows industry and at once an added market is created for power for domestic and municipal uses. All the modern tendencies in the utilization of cheap power indicate that the rate of growth of hydro-electric development in Canada will increase rather than lessen.
>
> Should the rate of installation since 1910 be maintained at its present rate there will be installed in 1925, 4,000,000 horse-power; in 1930, 5,000,000 horse-power; in 1935, 6,000,000 horse-power, and in 1940, 7,000,000 horse-power. These growth figures are considered conservative as the rate of growth since 1920 has been considerably in excess of the rate over the whole period from 1910. Available reserves are more than ample to take care of these future demands, as outlined, for a long time to come.
>
> The water-power now developed in Canada represents an investment of over $687,000,000.

The report goes on to give a table of the developed water-power in Canada, showing that Quebec has developed in turbine installation 1,116,000 horse power, and Ontario, 1,445,000 horse-power. The report proves conclusively that there will be a great demand for power in municipalities throughout Ontario, especially eastern Ontario, and Quebec during the next five, ten and fifteen years, and that it is a very foolish policy for the government to continue exporting power.

What is the history of the Niagara river power development? Water-power development started there in 1910, and at the present time the magnanimous and generous policy of export is helping to build up industrially the United States instead of Canada. The government would have us believe, when we look over the files and all the correspondence which has been tabled, that there has been no application although amongst these papers is one written lease, since expired, of power at the Carillon falls. The question of the development of power on the Ottawa river has been going on since 1905; it is nearly as old as the Georgian Bay canal topic itself. The proposed old lease grew out of a lease of this river issued to a company for the development of the Georgian Bay canal scheme and for navigation purposes. They tell us there is no application. They would have us believe that this Carillon project is like a round robin; —now nobody ever sees a round robin; they would have us believe that nobody has been approached about this particular question. This matter could be settled in a big way by each province getting a part of this power. No doubt they are good men who are making this application, and I do not blame private ownership for seeking to get these rights. But public ownership has been trying to get these rights since 1913 or 1914, and it has never been able to get anywhere on the matter. I believe in a national coal policy, a national oil policy and a national water power policy for the people of Canada. If Canada is to grow industrially, we must preserve our own water power. In the coal debate, I said that there was an insistent demand in the United States that Canada should use her own coal, wood and peat resources to provide heat for her people. The conservation commission of the United States has pointed out that in forty years that country will run out of coal. The New York Times has been calling on the government to bring Canada to book, calling her the "Lady of the Snows". They say that we have an abundance of coal and wood and peat and can take care of ourselves. Yet, we are exporting annually to the United States 158,000 horse-power, or the equivalent of 1,300,000 tons of coal, and the value of that power export in black coal is $8,000,000. This is taking place at a time when power is needed in Ontario, especially in the Ottawa valley and central Ontario, and when some of the larger municipalities are suffering from a scarcity of power. This is especially true in the district from which I come, where the government, through the Hydro-Electric Power Commission of Ontario, have been obliged to prepare plans to build a large steam reserve plant covering seven or eight acres at the foot of Yonge street Toronto, in order to take care of the power that will be required in that city during the next two years. The city of Toronto and the Hydro Commission are being forced to spend well up to $10,000,000 to provide in some small degree for some of the demands a steam reserve of 10,000 horsepower to increase our supply in that particular locality. I should like to find out something about this particular question.

The people on the St. Lawrence river and in the Ottawa valley are in the condition in which the people of the Niagara valley were ten to fifteen years ago. Prior to the installation of hydro-electric power in the Niagara district the district was stagnant and there was very little population there. The small towns had not anything like the population they have now. Port Colborne had a population of five hundred at that time, and now, fourteen years afterwards, it has a population of six or seven thousand. Similar figures in proportion might be given for St. Catharines, Welland, Thorold, Merritton and other cities and towns in the Niagara district which have been built up industrially by cheap light and power. There have, as a result of the hydro cheap power movement,—been located in that district chemical and industrial companies of all kinds and by-product industries of many kinds, running into many millions of dollars. Why have they been located there? Because of the cheap light and power which are available. Wherever cheap light and power are available on the one hand, you will soon find industries linked up. If you wish to get a bird's-eye view of this particular question in a concrete way—you should go to the Niagara district and see what it is like to-day. On the Canadian side of the river, except inland at St. Catharines, Welland, Niagara Falls, Thorold and Merritton, there are very few factories. There is a boulevard from Queenston Heights to Fort Erie and no industries located on it, while across the river on the American side from Lewiston to Buffalo are chains of factories. Why? Because of the magnanimous, generous

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policy of the people of this country in exporting power across the border to build up every little distance fine industries all the way from Lewiston, N.Y., to Niagara Falls, N.Y., Lockport and Buffalo. Last winter the mayor of Buffalo had the temerity to count the number of cars of coal that were being sent across the border into Canada. Sooner or later we will have to have a national policy for coal and for power, because to-day Canada is being pictured in the United States as another Lazarus—not picking up crumbs that fall from the rich man's table, but going along the American railways picking up coal. I do not advocate dumping the coal off the cars into the lake as the Americans dumped tea into Boston harbour on a certain historic occasion, but Canada wants a government that will work out a national policy for coal that will make the people of this country independent of the United States. I also advocate a national policy for oil and a national policy for water-power that will help the development of industrial Canada as well as the farming community.

For some time I have had on the order paper a series of questions dealing with the export of power, but as the government have not yet answered any of them perhaps I had better attempt to do so myself.

My first question is:

Will the government afford the House an opportunity to discuss the tax on the export of power? If so, when?

We desire to be afforded this opportunity. It came to-day. Then I ask:

Has any decision been given on the Carillon power project by the government, and has any application been received to date in this connection, and from whom?

Evidently from what we have been told to-day there is some application before the government or perhaps some "negotiations" would be the more appropriate word.

Has any protest been received from the government of Ontario protesting against the export of this power?

I can answer that with an emphatic, "Yes"; numerous protests have been made to this government by the provincial government and the Hydro Electric Commission of Ontario. The government of the province of Quebec has also objected to the export of power and is co-operating with the government of Ontario—in advocating the development of the Carillon power for Canadian industries, but so far the federal government has stood in the way. As a matter of fact the provincial governments own the surplus waters, subject to the rights of navigation, from which electric power is to be developed on the Ottawa river at Carillon, subject only to the rights of the Dominion government I say in regard to navigation. This question has not yet been decided by the Privy Council but these are some cases on it.

For instance, at Port Colborne the government of Canada takes only enough water for the canal between lake Erie and lake Ontario, leaving the balance of the waters of the Niagara river for the use of the government of the United States and the government of Ontario for power purposes. Similarly, the Ottawa river belongs to the provinces of Ontario and Quebec, subject always to the rights of navigation vested in the Dominion, and the bed of the Ottawa river and the banks and rapids belong to the provinces. My next question was:

Will the government secure the opinion of the Supreme Court of Canada as to the powers of this parliament and the government of the provinces on the whole question of the export of power, and also as to whether the export tax is ultra vires or not?

It has been held by eminent legal authorities that this export tax is ultra vires of the Dominion government, and in my speech on the budget debate on April 17th last I gave a dozen good and valid reasons why that is the case.

Now, a deputation from the hydro municipalities of Ontario protesting against the export tax was received with great courtesy by the government and they told the Minister of Railways that they did not object to the export of power if the licensee, the Americans, paid the tax. But, as the member for Parkdale (Mr. Spence) showed the other night, the hydro municipalities of Ontario and the provincial government are opposed to the export of power and the two who spoke gave only their own views and not those of the government of Ontario.

It seems to me it might be well for the government to get the opinion of the Justice department on this question. The Minister of Justice (Mr. Lapointe) is not in his seat, but I understand that his department has already expressed very grave doubts as to the jurisdiction of the federal government on the export matter and also the question of taxation and the whole constitutional question. The case should go to the Privy Council for a decision.

Will the Justice department be asked for such an opinion, or has one been given by the said department in the matter, and what is it?

As I say, I understand the Justice department has expressed very grave doubts regarding the position of the federal government in

the matter and where the jurisdiction of the province begins and ends to generate, develop and distribute power from interprovincial and international streams and the export of power and taxes based thereon.

Did the government recently promise a hydro deputation to secure such an opinion?

I am told they did.

Have any protests been received regarding the export tax? If so, from whom and on what grounds?

Yes, a deputation was here and protested against this tax and so have the government of Ontario and the Hydro Commission. Undoubtedly the export of power is an international question, for once a lease or license is granted, and power is exported under it, certain industries are developed on the strength of the continuation of that export, and various municipal activities, such as waterworks, street lighting, domestic lighting, rely on such power, and consequently it becomes impossible to discontinue its export, and if we refused to deliver any more power, at once friction would arise between this country and the United States, and we would have to resume the export of power that probably we needed ourselves. In my opinion this is a question of policy not only for the government of Canada but for the governments of the provinces as well and all should unite to work out a national policy. I am glad to see there is no politics in this question. The absence of politics in the hydro-electric movement is one reason why it has been such a big success. Both the governments of Quebec and Ontario are very strongly opposed to the export of hydro-electric power and—

Mr. ETHIER: My hon. friend states that the governments of Ontario and Quebec are opposed to the export of power. Is he not rather referring to the personal views which have been expressed by the premiers of the two provinces?

Mr. CHURCH: That may be. Of course, I do not pretend to have the same local knowledge of Quebec policy as no doubt my learned and respected friend has. I may say that I sympathize with the municipalities in his riding along both sides of the Ottawa river, because that river has been isolated from the rest of the province so far as power development goes and the development and distribution of cheap light and power is concerned, and I do not blame him for trying to get an early solution of this question. If public ownership will not do it then private ownership should have a chance under government regulation.

What about electricity for the farmers of Ontario? It was always intended that cheap light and power should be available not only to the artisan and the mechanic in the cities and towns, but to the farmers as well. I do not see many Progressives from Ontario in the House to-day, but this matter of cheap light and power is one of the most important questions before the agricultural industry of Ontario and Canada. The Ontario Commission have been repeatedly asked by the farming community for assistance in this respect and to supply the farms with power and where is the power to come from if not from the St. Lawrence and Ottawa rivers? When the Hydro-Electric movement was started the Ontario Power Commission entered into a contract with the Ontario Power Company for 60,000 horse-power. The Ontario Power Company on the Canadian side were the generating and developing company and the Niagara and Lockport Company were the distributing company for export purposes on the American side, for the benefit of American municipalities. The present contract for 60,000 horse-power at $12.35 has twenty-four and a half years to run with two twenty-year renewals since cancelled. That power can be very readily utilized in Ontario. It is now worth $24 to $28 per horse-power and is exported at a loss of $12.35 per horse-power. Now, the government asked the Hydro-Electric Commission for certain information when they made application in respect to the Ottawa and St. Lawrence power rights, and the same should be done in this case. Some of the questions to which I think the committee should have an answer are the following: Who are conducting these negotiations on both sides? Who are the applicants? What is to be done with the developed power? How is it to be distributed—how much for Canada, how much for Ontario and for Quebec? How much will be exported, under what terms, and to whom? How is the project to be financed? Where will the money be spent? What municipalities on both sides of the river will benefit by it? Will the company be a Canadian or an American company? Will there be an interlocking directorate? What will the contracts be? What will be the nature of the licenses? Will the leases be restricted or unrestricted? What public control will there be over these companies? Will there be control over rates as well? Are these leases being sought through an agent company for a gigantic American power trust or for an American super power scheme?

The magnificent success of the Hydro-Electric system under government ownership is

shown by the fact that every dollar of the $160,000,000 invested by the Hydro which now serves four-fifths of the province is earning interest and sinking fund. Hydro investment saved 2,200,000 shareholders over $75,000,000 in reduced coal, light and power bills. Hydro investment saved Ontario over $100,000,000 on coal prices, which would have gone to $30 a ton in war time but for the Hydro investment. These are some of the reasons why the Ottawa valley and the towns along the St. Lawrence should see that they get into this big movement. It is a protectionist movement, because it supplies the protectionist principle of public ownership. If any gentleman doubts that public ownership is a protectionist principle I reply, as I did last year, that public ownership is protectionist in the true sense of utilizing the public resources of the country for the benefit of the people of the country. Protection as applied by the Hydro Conservatives of Ontario has fought the battle of the masses as against the classes, of the people against their oppressors; I mean what the Hydro Conservatives have done for the sections of Ontario that get their power from public ownership. The Ontario government would have done the same thing had they been given a chance in respect to towns in the Ottawa valley and on the St. Lawrence.

Reference has been made to the demand in Ontario for this power. The Hydro-Electric Commission of Ontario started in 1910 with only 1,000 horse-power; to-day they are using 700,000 horse-power and are still asking for more. Since the inauguration of the Hydro there have been purchased on behalf of the co-operating municipalities no less than 22 water-powers, 30 hydraulic generating plants and over 60 electrical distribution systems. At the present time, the commission operates electrical power undertakings which, when fully developed, will have an aggregate capacity of 1,000,000 horse-power. Notwithstanding these provisions, the hydro-electric systems administered by the commission, including the Niagara system, are practically all face to face with an oncoming power shortage. It is true that this is not the case, as yet, with the Nipigon development at the head of the Great Lakes, but even here it will not be long before the available power will be requisitioned. It should be appreciated that this phenomenal growth in demand for electrical energy for power and light has continued even during a period when industry has not been expanding as it was prior to the Great war. The demand for hydro-electric energy, in the Niagara district especially, has been increasing at an extraordinary rate.

[Mr. Church.]

This has been brought about chiefly by increased demands for general domestic and commercial purposes. In the last two or three years a new impetus was given to the building trades, entailing a substantial addition to the lighting load, both for premises and street purposes. The domestic consumer has been discovering that electrical appliances, such as electric stoves, washing-machines, irons and other devices, can be operated at relatively low cost, thereby greatly reducing the burden of general housekeeping. Such appliances are being widely adopted. In the city of London, for example, eleven years ago the average monthly consumption of electricity per household was less than 20 kilowatt-hours; to-day it is 89 kilowatt-hours, thus showing an increase in individual consumption of nearly 350 per cent. The point of saturation has not yet been reached. There are thousands of homes planning to instal additional domestic electric appliances which will greatly increase the total demand for electrical energy. In a word, if, during the period when general industrial activity has scarcely reached normal, there has been such a demand for electrical energy for general purposes as to absorb the available supply, where is the electrical energy to come from that will be needed to meet the large demands of industry in the period of expansion which so many far-sighted citizens, both in the Dominion of Canada and the United States, believe must come in the very near future in order to supply the world demand for manufactured commodities?

The export tax on electric power is a direct tax on Ontario's great municipal ownership enterprise. The Provincial Hydro Commission is bound by long term contracts which it did not execute, but which were obligations assumed when the private corporations generating electric power were taken over by the Ontario commission. These contracts with American consumers cannot easily be cancelled. If the export duty could be passed on to the consumer all would be well. But it is impossible to cancel these contracts. That electric power should not be exported is justifiable but the action of the Dominion government is not designed to preserve power for Canadian factories, its purpose is to augment the federal revenue. The net effect of the export duty is to impose directly an unwarranted burden on local consumers in Canada. Instead of equalizing the cost of power by taxing the American exporter who is now getting power generated in Ontario away below less than cost, it increases the difference between the price paid by the Toronto manufacturer and his factory

competitor in New York state, who is now getting power generated in Ontario away below less than cost. It increases the difference between the price paid by the Toronto manufacturer and his factory competitor in New York state. Two hundred thousand dollars of the four hundred thousand dollars which the government will net from this tax will be collected, not from the foreign consumer but from the municipalities in central and western Ontario. I contend that the tax is unjust, inequitable and illegal, for reasons which have been given in the Hansard debates. Some of these reasons are as follows:

(1) The export tax on power based on an order in Council and on R.S.C., 16 Edward VII c. 16, which seeks to give power to impose export duty not to exceed 10 cents per annum per horse-power on power exported, is intra vires of the Parliament of Canada or not, inasmuch as the power taxed is generated from works or undertakings which are wholly within the province, and have not as yet been declared to be works or undertakings for the general advantage of Canada;

(2) That the said tax is retroactive and taxes contracts made which are wholly within the province, and that the said tax is indirect and an infringement of property and civil rights in the province and is outside the scope of subjects by section 91 of the British North America Act exclusively assigned to a federal authority;

(3) And that the international waters used to generate the direct current exported is from the surplus waters after the rights of navigation under federal control have been satisfied, and is of the surplus waters from the bed of the river, and the banks and rapids of the Niagara river wholly belonging to the province;

(4) And that such a tax could only be imposed by the province under section 92; and further that such a tax is to be levied on the export licensee who is wholly within the province, and whose long term contracts cannot be made the subject of retroactive federal taxation on many grounds;

(5) And that the said tax is ultra vires on the aforesaid and other grounds, and on the ground that the indirect method of assuring the said tax from the municipalities is an invasion of provincial and municipal rights under section 92 and is not specific against the exporter who uses and gets the benefit of the exported direct current;

(6) What machinery is, or has been, provided to collect said tax and from whom will it be collected and when, and how will, in default in payment, a collection be made and by whom?

(7) Will the minister consult with the Justice department as to whether such an indirect tax is legal, and if it can be collected from the municipalities using hydro power on a long term contract to which they have no privity, and for which they receive no consideration?

(8) Can said tax be collected without the express consent of the parliament of Canada as is proposed here based only on R.S.C. 16 Edward VII c. 16 above, and without further legislation enactment?

I contend that the people of the province of Ontario, through the Hydro Electric, should be given the right to develop power at the Morrisburg dam. Their application has been in for some time, the leases have been granted by the province, and the reply now from the Dominion is that the application cannot be granted, the reason being given that they have to wait until the St. Lawrence waterway question is settled between the two countries. This is no valid reason for delay.

They have also had for years an application in for power development on the Ottawa river, and it is the fault of the municipalities that that has not been granted. The farmers of Ontario are entitled to get electric power on their farms along the lines on which the late Sir James Whitney, the dead dean of the Hydro, undertook to give it to them, and it is due to the inactivity of the Progressive group in this House and the Progressives in Ontario and the anti-Hydro Drury government, that the farmers of Ontario have not power to-day from the Morrisburg plant and from the Ottawa river, and a supply for the farms of the province. Cheap light and power should be given to the farmers, just the same as to the city man. It is true that the major proportion of the cost of the Hydro for capital and maintenance was financed by Toronto, Galt, Kitchener, Guelph and other towns; 60 per cent of the original Hydro in Ontario and Chippewa was paid for by the city of Toronto, and also the fixed charges and maintenance charges on the various Hydro by-laws in the same proportion. The original pioneer Hydro municipalities bore the heat of the day and made Hydro power possible and the Conservative party deserve the credit.

There is no greater authority on the conservation of power and on electrical energy than the late President Roosevelt, and I should like to quote from an address he made in the city of New York a few years ago, because he outlines there a policy that any Progressive government, whether Dominion or provincial, in this country, should undertake. In view of the wastage of our resources in timber and oil and coal and water-power in this country, President Roosevelt's words seem at present prophetic. He says:

The people of our country are threatened by a monopoly more powerful than has been ever seen, as it affects very closely their domestic and industrial life. Our next generation will witness a shortage of those natural resources, petroleum and gas. The price of coal will be such that hydraulic power turned into electrical energy will, owing to its cost, become the prevailing factor for transport, for manufacturers, for lighting and heating our towns. Our hydraulic power alone, entirely and judiciously employed, would be adequate for the present needs of transport, industries, municipalities and private individuals. The major portion of these powers is not developed and remains the national property. It would be madness to part, without conditions, with one of our greatest resources. If we become guilty of this crime, our children will be bound to pay an annual royalty on

a capitalization fixed at the highest price that the trade will stand for. They will see themselves struggling with powerful sweaters entrenched behind the doctrine of discharged rights strengthened by all means of protection that money can buy and the cunning of corporations defended by legal men. These ogres of finance will have succeeded long before then to monopolize those resources so as to me able to dictate to the people the management of their affairs and their way of existence. Public opinion will be their least worry.

I say these words of President Roosevelt's seem prophetic to-day when we consider the waste that is taking place in our resources of coal and oil and water-power in Canada.

The government say that there is no written application, although leases may have been prepared. It is a well known fact in Wall street to-day, in fact all the large banks in New York and Canada know that Canada has become the happy hunting ground, and has been for many years past, for American millionaires, who are trying to seize and control our forest wealth, our timber wealth, our resources in water, water-powers, and the products of the sea, the soil, the forest and the mine in this country. A great super-power scheme is before the American people to-day, all of which is set out in the report of the American Deep Waterways Commission, and which starts from the 49th parallel, near Washington, D.C., running up to the New England seaboard, up to the state of Maine, and then on to Quebec and Ontario. Now it is hoped to get another super-power scheme known as the Mellon Harriman-Dupont scheme. The Americans hope to get from the various governments, provincial and Dominion, in this country a million or two of the horse-power which this country has or will develop. I would like to ask, is this application also linked up with any American enterprise like that or not? Here are a few details of it as rumored:

(1) Rearrangement of capital and securities of the electric power companies whose names follow, comprises the first leg of a super-power merger that will extend from Niagara Falls, perhaps to San Francisco, and its component heads will endeavour to bleed Canada of several million horse-power of electric energy to feed the leviathan:

Niagara Falls, N.Y., Power Company.

Canadian Niagara Power Company, Niagara Falls, Ontario.

Niagara, Lockport & Ontario Power Company.

Buffalo General Electric Company.

To make this giant caterpillar function properly, it is required that some 4,000,000 h.p. of Canadian origin be tapped, not only because that much added energy from the Ottawa and St. Lawrence sources is needed, but also if the Mellon-Harriman-Dupont interests who are planting the chain of fortresses now can get a foothold on the Ottawa, and are able to export power to United States, the Ontario Hydro Electric Power Commission will be blanketed and confined to the area in which it now gives service. The Northern Ontario pulp and mining areas will be isolated from the commission.

The companies named are preparing for the merger which, when consummated, will form the first unit of the super-power merger. Buffalo General Electric Company, which serves light and power to Buffalo area at double Hydro rates, is getting ready to expand its capital to give one new share for each five now held by shareholders.

These are, it is said, some of the interests behind the Carillon project. Further:

(2) The Harriman interests will be standing ready to finance the development of that generation of power estimated at 400,000 h.p. If the Carillon lease is given out, and if satisfactory terms of power export with the Dominion government can be stabilized, then the Mellon-Harriman-Dupont group can look forward to tapping Canada to this extent:

400,000 h.p. from Carillon rapid to be exported to United States to feed the super merger.

1,000,000 h.p. from the international area of upper St. Lawrence, to be also exported.

2,000,000 h.p. in Quebec powers to be picked up and harnessed for export to the United States.

If the Canadian end of the coup goes through, and the Americans become entrenched on the Ottawa, they will turn a valve that will throw millions of h.p. of Canadian energy across the line, following our pulp wood, nickel, copper and other raw materials. Of the income from power sales, 7 per cent is derived from the power sale, and 93 per cent is contained in the value of what the power produces. So in all export of power, Canada gets 7 and the other fellow gets 93.

The super-power merger indicated does not immediately and directly threaten the Ontario Hydro Electric Power Commission. But, if United States interests dig themselves in on the Otatwa river banks, they will block the route of Hydro from extension into the northern Ontario mining, pulp and settlement areas.

Is this what is to happen?

Mr. ETHIER: I did not intend to take part in this debate, but being a representative of the Ottawa valley district, which is especially interested in this matter, and in view of the importance of this question of the export of electric power to the United States, I think it is my duty to express my views on this question and to bring before the House some of the representations which have already been made in regard to this matter.

Two hours of this debate this afternoon have been taken up by the ex-Minister of Finance (Sir Henry Drayton) and the right hon. the ex-Prime Minister (Mr. Meighen) in finding fault with the government by insinuation and innuendo because the firm of McGiverin, Haydon and Ebbs had transmitted for their clients the Carillon Industrial Corporation, Limited, the draft of a lease in regard to this matter. That is the only objection which has been made in the two hours of discussion that has taken place this afternoon. We know now after listening to hon. gentlemen opposite and to the government

that the Carillon Power Company is in the same position it was in in 1911 according to the lease, and in the same position they were put in by the late government on the 1st of December, 1921, when on the eve of the election a lease was granted to the same company by the Minister of Railways of that day, Mr. Stewart. That is all we know now.

I do not think any valid reasons have been given by hon. gentlemen opposite against the export of power at Carillon. The question before the House is this: Shall the government permit the export of our electric power to the United States, and shall licenses of long term be issued under special circumstances for that purpose? That is the question before the House. It is not a question of whether there was a draft in the Department of Railways and Canals asking for such and such a thing. It is not a question of whether there is or is not a draft contract before the Department of Railways and Canals asking for certain concessions. It is a question of whether the government intends to grant a license to the National Hydro Electric Company of Carillon permitting them to export power.

Before considering the matter in some detail I should like to refer to the deputation that waited on the government and to which allusion was made this afternoon. The deputation consisted of delegates from the Ottawa valley, and I had the honour of presenting them to the government. They urged the administration to grant permission to export power from the proposed development at Carillon. A long discussion took place, and the answer given was as stated last week by the Prime Minister and repeated by him to-day. The Prime Minister has correctly repeated the answer which he gave and his statement is absolutely correct. The right hon. gentleman informed the deputation that the future of Canada would be the first consideration in connection with the question of permitting the exportation of electric energy to the United States. That is the answer we received from the Prime Minister as representing the government. The reports given of the Prime Minister's statement as given in the Ottawa Citizen and Journal were also correct.

Now, let us come to a consideration of the Carillon power question. Yesterday a voluminous report was tabled by the Minister of Railways. I had occasion to examine it very briefly although my hon. friend the ex-Minister of Finance (Sir Henry Drayton) may think I retained it too long. I only got it at ten o'clock last night and it was given back to the Minister of Trade and Commerce (Mr. Low) this morning. It is not a very important matter however, but I deemed it necessary to make this explanation. In 1908 a lease of the Carillon power was granted to Mr. Crawford Ross of Ottawa covering certain lands and the surplus of water of the Ottawa river not required for navigation, the object being to develop electric power for lighting and industrial purposes under conditions that have been explained this afternoon. The lease was for a term of twenty-one years, renewable at the expiration of that term for a further period of twenty-one years. Mr. Ross was required to develop 250 horse-power and in the case of the first term was to pay $100 a year on the lands and $2 per horse-power a year for the power. For some reason unknown to us Mr. Ross transferred his rights and privileges to the National Hydro Electric Company incorporated in 1910. The ex-Minister of Finance has asked who is behind this company. I may say to him it is not the firm of McGiverin and Haydon.

Sir HENRY DRAYTON: Is my hon. friend really serious in his statement. Then who is behind the Carillon project?

Mr. ETHIER: The company behind the Carillon scheme is the National Hydro Electric Company, with a capital of $52,000,000 subscribed for the purpose of developing 400,000 horse-power of electric energy.

Mr. MEIGHEN: Who are the leading men in the company?

Mr. ETHIER: The president is Mr. Robert of Montreal and Hon. Mr. Miles Legislative Councillor of Quebec, is one of the directors. Canadians and Americans are furnishing the capital.

Mr. MEIGHEN: My hon. friend has missed my point. The Carillon Power Company, the applicants, are a corporation and therefore must have directors. I am asking who the directors are of the Carillon Power Company?

Mr. ETHIER: I saw in the papers on the file that an application was sent in to the department by the firm of McGiverin and Haydon, as representing the Carillon Industrial Company. I was surprised to see that because it is the National Hydro Electric Company to whom the lease was transferred by Mr. Ross. The same lease was renewed by the late government on the recommendation of Hon. Mr. Stewart. former Minister of Railways and Canals, in December 1921.

Mr. MACLEAN (York): I know my hon. friend is not to blame but why should the word "national" be used for a power development of this kind when it is not a national development? The National railway is a public proposition, and is very properly so called; but more and more the word "national" is being applied to private corporations engaged in developments of this kind. I notice another thing. In the Wall Street Journal, and other sections of the press, private corporations of this nature are called "public utilities". To merit such a term an enterprise ought to partake of the character of the National railway or the Hydro Electric in Ontario.

Mr. ETHIER: I cannot give my hon. friend any reason for the adoption of this name. All I know is that the lease in question was granted to the National Hydro-Electric Company and that is the name of the organization identified with this enterprise.

Sir HENRY DRAYTON: Can my hon. friend give me the the names of the directors of the Carillon Power Company?

Mr. ETHIER: No. I have not got that information. To resume with the history of the National Hydro-Electric Company. This lease was renewed in December, 1921, by the late government. It was renewable to January 1, 1942, and then a further renewal to December 31, 2005. These renewals were made in the ordinary way by the then Minister of Railways in the previous government.

Sir HENRY DRAYTON: Will my hon. friend be kind enough to produce that lease if it is on the file?

Mr. ETHIER: It is the second lease on the file. I found it when I went over the file last night.

Mr. GRAHAM: The lease of 1921 is on the file.

Sir HENRY DRAYTON: I cannot speak definitely as to that.

Mr. ETHIER: According to the endorsement on the lease it was renewed in December 1921 until 1942, and there was a further renewal until December, 2005. That lease is on the file. I saw it last night.

Mr. GRAHAM: I have been accused of not airing this matter and henceforward I propose to put everybody right.

Sir HENRY DRAYTON: You will never do it unless you make a new start.

[Mr. Ethier.]

Mr. GRAHAM: Under certain conditions the lease was renewable. When the conditions are not performed a renewal can be refused. At the present time the Department of Railways has not given the lease renewal although the minister has power by order in council to grant such renewal.

Mr. ETHIER: The question of the export which is the real issue, and which has been a subject of controversy in the press of Canada, has been strongly to the fore during the last few weeks. Since the question of Carillon power has been brought before the House all kinds of statements have been made with reference to this matter. Those who have made some of these statements are actuated by an honest desire to state the truth, but the majority are actuated by a desire to befog the issue and to prevent the financing of a possible competitor, namely the National Hydro-Electric Company. Evidently the purpose of the opposition is to defeat the efforts of what promises to be a serious competitor, whose introduction into the field would prevent a monopoly such as we now have in Ontario and Quebec. We have the Hydro-Electric in Ontario, the Montreal Light, Heat and Power Company in Quebec and the companies allied with those two concerns.

Sir HENRY DRAYTON: Does the hon. member seriously say there is a monopoly in Ontario?

Mr. ETHIER: Yes, absolutely. It has been exposed to-day. It is obvious to hon. members that this is not a sound proposition in regard to the export of power. The question of the export of power should be considered on its merits, and preference should not be given to water-power developments which it would be impossible to develop without the help of power contracts from the United States. Reasoning along these lines it seems that the Quebec government, when it granted a sixty-year lease to the Canada Paper Company on the 30th April, 1924, for a 5,000 horse-power development, was not justified in writing into this contract a clause which practically authorized the company to export power upon the payment of an additional royalty of 50 cents per horse-power. In the same way the federal regulations under which nine Canadian power companies are at present authorized to export, under one-year licenses, about 1,400,000,000 kilowatts of electricity per year to the United States are not in the best interests of the country, If we follow on the lines of that proposal, then we must blame the policy of

the government for all that has been going on for the past eighteen years.

Let us examine the case of the National Hydro-Electric Company, which proposes to develop 400,000 horse-power at the Carillon dam, on the Ottawa river. My hon. friend the ex-Prime Minister (Mr. Meighen) and the hon. member for North Toronto (Mr. Church) express doubt about 400,000 horse-power being developed at Carillon. They went so far as to say that no such amount could be developed there. I have here in my hand the report of the engineers' conference held at London in July, 1924, and I refer to the statement of a gentleman who is well known in all these matters, Mr. J. B. Challies, now of the Shawinigan Water and Power Company, who was then a director of the Dominion Water Powers branch. He presented a paper entitled "Water power from Canada" from which it is possible to derive a good deal of information concerning the future power requirements of Canada. The total amount of power development in Canada is given as 3,227,414 horse-power and the total possible commercial installation as 42,000,000 horse-power. That is not doubted.

I have here a summary of the present installation of power development in each province. These figures are quite interesting, because the information which is given in this debate will be very important for the country. The figures are as follows:

Province	Possible installation in horse-power	Present installation in horse-power	Per-centage developed
British Columbia..	6,680,000	355,517	5.32
Alberta..	1,490,000	33,067	2.22
Saskatchewan..	1,425,000	.....	....
Manitoba..	7,560,000	162,025	21.45
Ontario..	8,910,000	1,445,480	12.85
Quebec..	15,240,000	1,116,398	7.33
New Brunswick...	160,000	44,539	27.85
Nova Scotia...	168,000	54,950	32.70
Prince Edward Island...	7,000	2,239	32.00
Yukon and Northwest..	360,000	13,199	3.67
Total for Canada.. ..	42,000,000	3,227,414	7.68

Sir HENRY DRAYTON: What is the date of those figures?

Mr. ETHIER:: They were given by Mr. Challies at the conference in July, 1924. It was estimated in 1924 that the total development in Canada at the beginning of 1926 would be about 4,000,000 horse-power. The average growth from 1910 to 1926 is shown as having been at the rate of 101,000 horse-power per year, and that from 1920 to 1925 at the rate of 303,000 horse-power per year. On the basis of these increases Mr. Challies estimates that by the end of 1940 our developments should be between 7,000,000 horse-power and 8,500,000 horse-power. Applying the same rates of growth during the next ten years, it would give us about 11,000,000 horse-power in 1950 or about 26 per cent out of a possible total of about 42,000,000 horse power.

Sir HENRY DRAYTON: Will you give us the report of the engineer showing the 400,000 horse-power? You were going to let us have it, but you did not do so.

Mr. ETHIER: I have also another report made by Messrs. J. A. Jamieson and G. R. Heckle, engineers of Montreal, and some of these quotations are taken from the St. Lawrence waterways report and some from the Electrical World of June 12, 1924. That is the suggestion that has been made to the government in connection with the requirements of that part of the country. Since that time new developments have come up, and I wish now to prove to the committee that there is a power monopoly behind the opposition to the National Hydro-Electric Company Recent developments have conclusively proven the fact that what is known as the "power monopoly", who apparently are sitting on the hydro-electric throne, are leaving no stone unturned that will take away from them one atom of the grip they now appear to have on the power situation in Quebec. Not content to develop certain power rights which they control, they are using every possible influence to frustrate any opposition, no matter how slight, that might prevent them from completing their policy of absolute control of the electric situation. What have we read lately in the Financial Review of Montreal? Immediately after the first delegation came to Ottawa in order to obtain a licence for twenty-five years, I read this.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 62 for the relief of Harry Hambleton.—Mr. Sheard.

Bill No. 76 for the relief of Laura Grace Davis.—Mr. Jacobs.

Bill No. 77 for the relief of Alice Brouse.—Mr. Duff.

Bill No. 79 for the relief of Robert Lawrence Anderson.—Mr. Duff.

Bill No. 80 for the relief of Pearl Hibbard.—Mr. Stewart (Leeds).

Bill No. 81 for the relief of William John Taylor.—Mr. Hanna.

Bill No. 82 for the relief of Albert Edward Cottrell.—Sir Henry Drayton.

Bill No. 83 for the relief of Florence May Mott.—Mr. Clifford.

Bill No. 84 for the relief of Ellen Mary Harvey.—Mr. Hanna.

Bill No. 85 for the relief of Stella Florence Brickenden.—Mr. Euler.

Bill No. 86 for the relief of Frank Alexander Michel (otherwise known as Frank Alexander Mitchell).—Mr. Euler.

Bill No. 87 for the relief of Thelma Adeline Rose Hands.—Mr. Jacobs.

Bill No. 88 for the relief of Jean Veronica Margaret Wright.—Mr. Garland (Carleton).

Bill No. 89 for the relief of Ruth Darcy Blinn McCrimmon.—Mr. Shaw.

Bill No. 90 for the relief of Thomas George McElligott.—M. Hocken.

Bill No. 91 for the relief of Alvin Wesley Richards.—Mr. Stewart (Leeds).

Bill No. 92 for the relief of Cecil Tanner.—Mr. Rankin.

Bill No. 93 for the relief of Ruth Ellen McGowan.—Mr. Shaw.

Bill No. 94 for the relief of Edith Kearsley Smith.—Mr. Boys.

Bill No. 95 for the relief or James Raymond Armstrong.—Mr. Garland (Carleton).

Bill No. 96 for the relief of Josephine Royant.—Mr. Sheard.

Bill No. 97 for the relief of Gertrude Margaret Burkart.—Mr. Ryckman.

Bill No. 78, for the relief of Vera Thelma Gooderham.—Mr. MacLaren.

Bill No. 99, for the relief of William John Fuller.—Mr. Duff.

Bill No. 100, for the relief of Alfred Augustus Jacques.—Mr. Duff.

Bill No. 101, for the relief of Paul Zizis.—Mr. Hocken.

Bill No. 102, for the relief of Annie May Blunt.—Mr. Hocken.

Bill No. 103, for the relief of Grace Harrington Bloom.—Mr. Hocken.

Bill No. 104, for the relief of Ian Somerled Macdonald.—Mr. Garland (Carleton).

Bill No. 105, for the relief of Arthur Beldon Morrison.—Mr. Church.

Bill No. 106, for the relief of George Edward Sharp.—Mr. Arthurs.

Bill No. 107, for the relief of Marjorie Morton.—Mr. Arthurs.

Bill No. 108, for the relief of William Ernest Hampson.—Mr. Arthurs.

[Mr. Ethier.]

SECOND READINGS

Bill No. 123, for the relief of Ruth Dorothy Rutenberg.—Mr. Baxter.

Bill No. 126, for the relief of Mollie Weiner.—Mr. Jacobs.

Bill No. 130, for the relief of Lillian Yaffe.—Mr. Hanson.

Bill No. 131, for the relief of Charles William Dickinson.—Mr. Hanson.

Bill No. 132, for the relief of Charles Murray Cramsie.—Mr. Baldwin.

Bill No. 133, for the relief of Frederick William Mallyon.—Mr. Speakman.

SUPPLY

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

Mr. ETHIER: I was going to bring proof after the recess of the allegations I made that behind the opposition to the proposed Carillon power development there was a "power monopoly." In this connection I would like to refer to an article published under a New York date in the Financial Review of Montreal, in which it is plainly pointed out that Mr. A. Robert, of Montreal, who is the president of the National Hydro Electric Company has been ousted as president of the Montreal Tramways Company and as president of the Quebec-New England Hydro Electric Corporation and is a big factor in the Quebec power industry because he insisted upon going ahead with his plans to develop water-power on the Ottawa river, and give to the people cheap and abundant electricity. The article reads as follows:

The report that Sir Herbert Holt has bought control of the Duke-Price Power Company has attracted some attention in local financial houses interested in the larger aspects of the international power situation. If this is the case, the change thus indicated in the alignment of the financial powers behind the big power development companies in the province of Quebec, indicates victory for the Canadian interests in the big battle now under way for control of the water-powers of the province. According to local informants the first victory in the battle was won when Mr. Robert was ousted as a big factor in the Quebec power industry, and the second was the success of the big power companies in getting back of them the governments of the two provinces in their fight against the exportation of power to the United States. The third was the refusal within the past two weeks of a syndicate, headed by one of the best known bond underwriting houses in the United States and Canada, to take a $10,000,000 issue to finance the Carillon development. The fourth is apparently this move on the part of the big Montreal power interests to gain control of the $50,000,000 power development on the Saguenay.

Mr. Chairman, I would call special attention to this paragraph:

"The success of the big power companies in getting back of them the governments of the two provinces

in their fight against the exportation of power to the United States."

That statement is certainly startling.

Mr. PARENT: Does the hon. member assume that the article in question represents the truth, and does he take responsibility for it?

Mr. ETHIER: I know the standing of the Financial Review in Montreal. It is a reliable and very important business paper, and I presume that its information is accurate.

Mr. PARENT: That is only supposition.

Mr. MEIGHEN: Is the hon. member right, that it is the Financial Review, and not the Financial Times?

Mr. ETHIER: The Financial Review.

Mr. MEIGHEN: I know of the Financial Post and the Financial Times, but I did not know of the Financial Review.

Mr. ETHIER: It is from the Financial Review, and I am sure its report is accurate that Sir Herbert Holt has bought control of the Duke-Price Power Company, which is erecting plants on the Saguenay river.

Mr. PARENT: That is another assumption which is entirely against the facts.

Mr. ETHIER: I take it to be the truth, more especially when I read in the annual report of the Financial Times that Sir Herbert Holt, if not president, is a director of every power company in the province of Quebec, the Montreal Light, Heat and Power Company, the Quebec Power Company, the Southern Power Company, the Shawinigan Power Company and all the allied power companies in the province of Quebec. That is the monopoly, the merger, the trust—which is fighting against the Carillon power development plan; it is this monopoly which is behind the organized opposition to that development. This same publication called the attention of the interested parties in the Ottawa valley district to the matter, and a big meeting was called in the town of Lachute, in the county of Argenteuil, where a resolution was passed protesting against the opposition, and endeavouring to show the government the benefit it would be not only to that particular district, but to the province and the Dominion as a whole, if the Carillon power development was approved. The question was viewed not only from the point of view of their own interest, but from the national point of view. The resolution read as follows:

Resolved that after consideration of the proposed hydro-electric development at Carillon, on the Ottawa river, the council and citizens of the town of Lachute express their approval of the project and request that the federal and provincial governments do give their immediate endorsement to the work so that the work of construction may proceed without delay.

In endorsing the project, this meeting wishes to point out that the construction of this large hydro-electric plant would ensure an abundant supply of electrical energy, now so urgently needed throughout the Ottawa valley; that it would mean the expenditure of many millions of new capital in this province; that it would give employment to thousands of workmen, thus relieving the serious situation now facing civic and other authorities; and that it would create activity in many industries manufacturing materials needed for such an undertaking.

A further consideration which this meeting considers is highly important to Lachute is that the development at Carillon would be accompanied by the construction of a 14-foot canal from St. Anne's to Ottawa, thus creating a new navigable waterway which would assist in industrial development, without the cost of a single dollar to the public.

Resolved further that as it is reported that this huge power development is not financially possible unless there is an immediate market for the surplus power, this meeting can see no reason why the export of power should not be permitted so long as the home demands are amply met—a provision which can be fully provided for by the federal government.

That resolution, Mr. Chairman, covers all the points in favour of the granting of the electric water-power plant at Carillon. First of all, it would mean the expenditure of many millions. The plant, as shown by the engineer's estimate, would cost about $52,000,000, with a capacity of 400,000 horse-power. The erection of that plant would mean employment for over 2,000 people during three years, and the employment of that number of people for that length of time would certainly bring relief to the general labour situation in Canada.

Not only do the municipal councils in the districts north and south of the Ottawa river support the proposition, but the Trades and Labour Council of the city of Montreal adopted a resolution in its favour similar to the one passed at Lachute. It is therefore apparent that labour men to the number of 100,000 are behind the people of the Ottawa valley in the support of the enterprise. The Trades and Labour Council of Montreal, adopted also a resolution approving the project.

In addition to the great good to labour that will result from the carrying out of the enterprise, there is the further fact that navigation will be facilitated by the raising of the level of the Ottawa river. From the engineering reports that are available it is evident that the carrying out of the project would give a fourteen foot waterway in the Ottawa river, thus placing the city of Ottawa, on a footing

of equality in the matter of navigation with various cities on the St. Lawrence. As a further evidence of the popularity of this project in the particular district affected, may I state that, at the time the delegation met the government, Alderman Low stated that the Ottawa city council had adopted a resolution in favour of the power development scheme, similar in form to the Lachute resolution. Surely the support of such large bodies of public opinion indicates the necessity and urgency of this work.

It was stated this afternoon that the National Hydro-Electric Company had only developed 250 horse-power but let me point out that the company has already spent $500,000 on engineering work. I must not forget to mention that in addition to satisfying Canadian demands before exporting power to the United States there is a clause in both leases which declares that the plans for the construction of works must fulfil all the requirements of the Georgian Bay project. In the leases all possible contingencies are provided for, even to the extent of protecting the requirements of the Georgian Bay canal and Canadian demands for power.

Mr. MANION: Will the hon. gentleman state how much power has been developed by the expenditure of the $500,000 to which he referred?

Mr. ETHIER: Only 250 horse-power has been developed.

Sir HENRY DRAYTON: That is under the old lease?

Mr. ETHIER: Yes, but I think a greater volume of power is now developed or will be shortly. In this connection let me quote from a statement by the president of the company, Mr. Miles:

> As one matter that was accomplished, I might mention that for a distance of some fifteen miles the village of Point Fortune westward, and for a width of from half a mile to a mile and a half the whole district was bored, not only the river bed, but the surrounding banks and valleys, this to assure the knowledge as to holding back the immense reserve of water as to the safety itself of the project. In my case, my company has done everything to satisfy the financiers in both the United States and Canada as to the soundness of the basis of the investment, proposed to them. Our titles and rights, the entire legal position, everything in fact, was made perfectly clear and satisfactory to the men who have now undertaken the furnishing of all the capital required. It stands ready for our use, for our company's use immediately, and our plan in December last was to begin preliminary operations at Point Fortune and Carillon about the first week in March. We have been delayed through certain circumstances but my hope is to-day that we will reach a successful issue with the negotiations now progressing towards a finality.

[Mr. Ethier.]

This is the explanation given by the president of the company, Mr. Miles, whose statement cannot be successfully contradicted.

Sir HENRY DRAYTON: The hon. gentleman was going to give us a provision from the lease as to the sale of power in Canada.

Mr. ETHIER: The provision in that respect is the same as the one in the lease of 1908, subsequently renewed in 1913 and 1921. The project in its original form did not contemplate the exportation of power. That is a new idea which is involved in the present plans of the National Hydro Electric Company. Under the old lease it was only proposed to issue a license for one year. Where will you find capital willing to invest such an enormous sum as $52,000,000 with a prospect of having the lease terminated at the expiration of one year? For the past eighteen years the license has only been good for one year. True it has been renewed from time to time, but it is a very uncertain basis upon which to found an expenditure of $52,000,000. No capitalist will invest money in an enterprise unless there is a guarantee of at least twenty-five years' tenure, and that is what the National Hydro Electric is asking for. Then too, unless a market is found for the surplus power outside of Canada the process of developing electric energy will be slow and tedious, and Canada itself will lose money which would otherwise come to it as a result of the development and sale of power.

As regards the development of our power resources, not only in this province, but throughout Canada, I maintain that without finding a market for our surplus power outside the Dominion our development of electrical energy will be slow and tedious and we will still go on losing millions of dollars a year which would come to Canada as a result of the sale of power. I am convinced that the opposition which is apparently emanating from interested sources, if allowed to succeed, will mean the absolute killing of the Carillon power development which is so vital to the people of the Ottawa valley, and unless those opposing the export can give us more concrete arguments that the sale of electrical energy should not be permitted, I am certain that the federal authorities will understand the workings of the "power ring," which is slowly but surely getting a strangle hold on the power situation throughout our province.

What is the objection which is urged to this project? It is that "we may need in the future the surplus power proposed to be exported." Surely this is not a reason for deferring action in connection with this very important matter.

Then as to the licenses granted, I refer to the returns made under the Electricity and Fluid Exportation Act. Central stations exported 1,344,199,267 kilowatt hours during 1923, which was 16.6 per cent of the total output of all stations. Three stations on the Niagara river exported 878,335,200 kilowatt hours, or 65 per cent of the total quantity exported, and one station on the St. Lawrence exported 30 per cent of the total. A complete list of all companies exporting electric energy to the United States is shown below. Practically the only electricity imported is at Sarnia, Ontario, where the St. Clair Tunnel Company imports some for operation of their locomotives and shops and a small quantity for sale. And they exported 40 per cent. The following memorandum shows the kilowatt hours exported to the United States in the calendar year 1923:

	Kilowatt hours
Maine and New Brunswick Electric Power Company	10,209,784
Sherbrooke Railway and Power Company.	42,495
Cedar Rapids Manufacturing and Power Company	405,524,000
Ontario Power Company	332,866,100
Toronto Power Company	193,009,750
Canadian Niagara Power Company	352,459,350
Ontario and Minnesota Power Company	10,365,200
Western Canada Power Company	38,450,560
West Kootenay Power and Light Company	554,900
British Columbia Electric Railway Company	717,128
Total	1,344,199,267

Hon. gentlemen will observe that of the 1,344,199,267 kilowatt hours exported in 1923, 405,524,000 kilowatt hours were exported by the Cedar Rapids plant of the Montreal Power Company and 878,335,100 kilowatt hours from the Ontario plants of the Hydro Commission. Practically 95 per cent of the present export is done by the private power monopoly in Quebec and the Hydro in Ontario. Those are the people who are endeavouring to prevent private enterprise requesting the government to give them a license to export electrical energy from the Carillon Power Company. It would be interesting, Mr. Chairman, to show to the House how these people have discarded their proposed plan and changed their minds when they see it is not in their own interests. It is quite surprising to observe the attitude of the Montreal Gazette, the official paper of the opposition in this House, who are now every day fighting in decided opposition to the Carillon works dam. What has happened in the last two years? Who is behind the Gazette? I put the same question as the ex-Minister of Finance put, who is behind the Gazette? I will show the House the attitude of that paper and I quote the following from the Montreal Gazette:

When in 1923 a suggestion was made in parliament that a restriction should be threatened on the export of power as a means of obtaining an undertaking from the United States that American coal exports would not be restricted, the following is the editorial published by the Montreal Gazette on February 28, 1923:

This was not at a time when the National Hydro Electric Company were asking for the powers they are now seeking. The article continues:

At the suggestion of Hon. Mr. Robb, Minister of Trade and Commerce, Dr. Deslauriers in the House of Commons, withdrew a resolution favouring the restriction of the export of electric power from Canada unless the United States undertook that the export of coal to Canada should not be interfered with. The subject of control over exported electric power has been up in parliament before on several occasions. The only result was an act passed some dozen years ago requiring that producers desirous of exporting current to the United States which is the only country concerned, should take out a license before making any delivery. If occasion arose it is presumed the refusal of a license would be followed by a stoppage of the export. That, however, is not within probability. The situation is simple. It is as legitimate—

I wish my hon. friends opposing the plan would meditate on this sentence:

It is as legitimate for a Canadian producer of electric current to supply a demand from the United States as it is for the producer of wheat or lumber or asbestos, or anything else, to sell his goods in the same market.

That was the Gazette's opinion at that time.

To act on any other theory and put restrictions in the way would be to interfere with a proper development of commerce and restrict business without justification. There are sections of Canada wherein the local demand for electric power exceeds the capacity of the development plants, as there are sections where, unless an export demand existed, the plants could not be operated at their capacity and their water-power would be running to waste.

This is the case at Carillon.

The lack in one case is not the result of the export of power in the other, but is usually attributable to the geographical situation. To stop the export at Niagara or Fort Frances would not help those in central Ontario who would use more if they had it. If it were advisable to interfere by law with such a situation, no general prohibition would be advisable. Each region would have to be dealt with according to its peculiar circumstances. Embargoes as restrictions on freedom of commerce are almost essentially mischievous. The war time produced many of these. They were generally submitted to as having some good object in view, though evil in themselves and the product of greater evil conditions. No wise merchant or manufacturer would desire their establishment. Merchants and producers generally know that the wider the markets they have for their goods the better for them; and embargoes restrict markets. The general argument must be against them. The special argument advanced by Dr. Deslauriers was not sufficient. The United States had been suffering during

the war from a restricted coal supply. The government at Washington—

Listen to this—

The government at Washington knew what the facts were and took measures to distribute available fuel, so as to reduce the general inconvenience and prevent one section from suffering while another had abundance or more. Canadian dealers were treated by the Washington authorities on the same footing as those of the United States. There was a continuous movement over the border of anthracite, and the people of this province did not suffer more than those of northern New York. Such a national neighbour is not one to threaten. There may rise occasion for government interference with the distribution of electric power generated in Canada. It will be in the nature of an emergency, however, and should cease with the emergency. Though the House of Commons did not divide on the issue raised by the resolution, the effect of what was said was to put the idea into the background, where it should stay.

Who is behind the Gazette now? The Gazette inspired by people behind it publish articles every day similar to the one I have read. I do not say that they are inspired by Sir Herbert Holt, but it is strange altogether.

This question is of such importance that I thought proper to place the case as it really is before the committee. If a lease is granted to a private company which is ready to carry on the work, Canada as a whole will benefit. This will be a great advantage also to the labouring people and to the municipalities on the two borders of Ontario and Quebec from Ste. Anne to Ottawa. It will bring to Canada a capital of over $52,000,000, without costing a cent to the national treasury or to any municipality. On the contrary, according to the proposed lease, in 1928 the company will have to pay $50,000 as rental, in 1930, $75,000, in 1931, $100,000 and up to 1964. After the renewal of the lease twenty-one years by twenty-one years, the rent will be $175,000. That is a clear revenue to the country. Moreover, with the export tax on hydraulic power according to the new budget of this year, which budget I approve entirely, the company will pay $1.96 per horse-power for export and we shall pay $175,000 for rent to the government making a total revenue of nearly $800,000 per year. We keep 100,000 horse-power to serve Canadian needs. We ask permission to sell or export 300,000 horse-power to the United States, without infringing on the power required for Canadian industry.

Mr. MACLEAN (York): For what period?

Mr. ETHIER: The company is asking for a period of twenty-five years up to 1950, as I stated this afternoon. There will be only 11,000,000 horse-power utilized in the whole of Canada. If we export 300,000 horse-power, that will give a revenue of $600,000. That, with $175,000 for the lease, makes nearly $800,000 revenue going into the treasury of this country every year. This will help the labouring people and the farmers along the borders of the two provinces and there will be all the benefits accruing from the general utilities growing up from such a development in this country.

I leave the House with these considerations, renewing publicly the application which has been made by the delegation to the government. That this matter will be considered from a national point of view, I have no doubt; but I hope the opposition which has been brought against it will be severely inquired into and, if inquiry is made, it will be found that behind the opposition to the proposed plan of the National Hydro Electric Company, there is a merger, a trust, a monopoly in Quebec as well as in Ontario, and that this company will be in a position to sell electricity more cheaply than it is now being sold in Montreal or anywhere else.

Mr. MACLEAN (York): I have been very much interested by the speech of the hon. member (Mr. Ethier), but he does not quite prove his case. He rather proves the argument that I am going to make in favour of delay in this matter. My suggestion in a word is this, and I have written it down rather carefully. The thing for the government and parliament to do in regard to the export of power is to delay further action until federal investigation is made, first, as to our possible water-power development, and second, as to its further conservation by the use of long-distance transmission by high tension current, as scientists now promise us. Such an investigation might result in a national policy of keeping this power as a national asset which, in time, would take care of our public debt and our national budget for many, many years. Such a policy would have to be strengthened by a programme of sustained rainfall, by forest preservation, and permits to export power should be, not for long periods, but for short periods with frequent renewals. What the power people are trying to get—and I direct the attention of the Acting Minister of Finance (Mr. Robb) to this—is to sew up the country in long terms for the export of power. Even with the frequent renewals as I propose, the result may be that this, which I consider is the greatest asset that Canada has to-day, namely, the possibility of the development of our water-power, will pass from the people into the hands of entrenched monopoly. Therefore,

there is every reason why we should conserve this power. We should see whether it is not possible, as scientists say, to transport it for long distances by high tension currents. Besides that, they say now that electrical energy can be transmitted by a beam. Just what a beam is I will not undertake to say at the moment, but they have that in their mind. They say something else about water-power. A water-power is the most marvellous thing in the world. Neither a gold deposit nor a silver deposit is to be compared with it, nor even are the great wheat fields. This hydro-electric power, once you generate it, has this peculiar characteristic. Once you store the water and put in your generator, you get the power and what does the power do? It delivers itself a hundred miles, and I hope, in a little time, a thousand miles away through a wire; it requires no upkeep and it becomes more and more valuable. The scientists are promising a still further development and that is this. All hon. members know what these little storage batteries are. They see them in the hardware stores. The scientists promise even to store water-power in the same way and they say that it can be kept for years; that it can be transported and then released at any distance away where it can be distributed by other wires. Parliament, therefore, ought to take care of this asset. It should not part with it; especially it should not part with it under long-term leases, but it should keep it as the greatest asset the country has.

9 p.m.

To prove that it is the biggest asset the country has, one needs only to listen to the testimony that my hon. friend has just given to the committee about the efforts of capitalists in this country and throughout the whole of the United States to get this great source of electrical power sewed up to their companies, because if they get that, they have an almost unlimited field of profitable distribution of it. Canada has this wonderful store. Notwithstanding the statement that has been made, I contend that we ought not to lease any of this power for export until we know whether there will be enough of it for ourselves; and, above all, we ought to keep the development in our hands until there has been a thorough investigation as to its amount.

Mr. HUGHES: Is there any danger of a monopoly at home?

Mr. MACLEAN (York): There might be. I am not in favour of a monopoly at home, and whatever it is, I do not want to see it grow. That is the object of this movement. I do not want to assist a monopoly now, I want to prevent other monopolists from getting control of this power. That, Mr. Chairman, is my whole object, and as the Prime Minister (Mr. Mackenzie King) is not here, I would impress upon the Acting Minister of Finance (Mr. Robb) and the Minister of Trade and Commerce (Mr. Low) the importance of taking up this question with their fellow members of the cabinet and urging that there be a thorough investigation as to the amount of power available and as to what the prospects are in connection with its development, and until that investigation is completed they should emphasize the desirability of not granting any lease for power export.

Mr. FORTIER (Translation): Mr. Chairman, I share entirely the views expressed a few moments ago, by the hon. member for Laval-Two Mountains (Mr. Ethier) in favour of the development of the Carillon water-power scheme. It seems to me that the proposal which is made to the government is of great importance to that district and to the country as a whole. I fail to understand why one should really oppose the development of this water-power. The only people who, in my opinion, might object to such a scheme would be those who fear to see the beauty of our landscape spoiled. Some years ago, I heard it said by litterateurs that we should not allow industries to monopolize part of the waterpowers of the magnificent Niagara falls or the majestic St. Lawrence river. "It is depriving—it was said—beautiful nature of its poetry." Perhaps, a future generation will reproach us of having disfigured Long Sault by establishing industries. "A dam now exists on the spot where Dollard des Ormeaux immortalized himself, at the foot of these rapids" will posterity exclaim!

It has been stated, with truth, that the water powers developed along the St. Maurice river had largely contributed in making that region one of the most beautiful of the province of Quebec, and that we should follow such an example, so as to develop and utilize all the water powers of this country. I think, Sir, that there existed special reasons which favoured the development of the water-powers of the St. Maurice region, however, these reasons do not exist when it is a question of the Carillon water-powers, on the Ottawa river. The province of Quebec possesses, in the St. Maurice district, unequalled forest reserves. It has wonderfully developed these water powers. Moreover, this forest reserve, scientifically exploited will be a perpetual

source of wealth to the province. It is necessary to preserve for that part of the province of Quebec, the water-powers which have built up the industrial towns of Shawinigan, Grand Mere, and so forth, and which contribute to the expansion of Three Rivers; but such is not the case in regard to the Carillon water-power. We cannot, in fact, contend that a forest reserve necessitates the development of the Carillon water-power to establish pulp mills, as they exist on the St. Maurice.

Mr. Chairman, I agree entirely with the views expressed by the Gazette of Montreal, in 1923, in connection with a discussion which took place in the House of Commons at that time. This newspaper which, to-day, so strongly opposes the scheme of the promoters of the Carillon water-power development, at the time expressed the views which are at present shared by the majority of the citizens of this country.

The following is an extract from the editorial which the Gazette published on February 28, 1923, commenting on the debate brought on in the House by the resolution of the hon. member for St. Mary's (Mr. Deslauriers) in connection with the export of electric power:

> There are sections of Canada wherein the local demand for electric power exceeds the capacity of the development plants, as there are sections where, unless an export demand existed, the plants could not be operated at their capacity and their water-power would be running to waste. The lack in one case is not the result of the export of power in the other, but usually a geographical situation. If it were advisable to interfere by law with such a situation, no general prohibition would be advisable. Each region would have to be dealt with according to its peculiar circumstances.

To-day, when the people of the Ottawa valley request the government to allow the export of electric power from Carillon, can the government be told: "Do not allow it, as we might later need these water-powers!" Proof has been given to this committee by the hon. member for Laval and Two Mountains, that the fact of exporting 300,000 horse-power of the 400,000 which would be generated by the Carillon water-power, would in no way jeopardize the reserve of electric power we possess in the province of Quebec. It has been clearly shown by experts that Canada has at its disposal 42,000,000 horse-power and that there are, at present, but 3,500,000 horse-power developed. Canada would have to be inhabited by a population of 70,000,000 people so as to develop and utilize all its water-powers. It is estimated that in 25 years Canada will have 13,000,000 of a population and that 8,000,000 horse-power will be all it will require. It is, therefore, only 22 per cent of what we have at our disposal.

[Mr. Fortier.]

Engineers have stated that, in the province of Quebec, there exists 15,000,000 horse-power and that we but utilize, at present, about 1,000,000 horse-power. It is estimated that the yearly increase of electric power is 60,000 horse-power, and taking these figures as a basis for our calculations, the province of Quebec will utilize in 1950 about 3,000,000 horse-power supplying about 3,500,000 of a population, and that will only amount to 20 per cent of the province's water-powers.

Mr. PARENT (Translation): Would the hon. member tell us where are located these 20 per cent? Is it in Labrador or in the vicinity of Montreal or Quebec?

Mr. FORTIER (Translation): Within a radius of 200 to 250 miles from the Carillon water-power. That is according to the report of a most competent engineer, a statement which up to now has not been gainsaid.

I think, Sir, that the Carillon water-power development scheme is one of the best of its kind. It will draw to this country considerable capital; it will establish mills the building of which will amount to millions of dollars and it will give the labouring class remunerative work for many years to come. Finally, it will be a source of revenue to the government, for the leasing of these water-powers, according to the figures themselves which are mentioned in the contract of said scheme, will add to the public treasury many millions of dollars. Moreover, thanks to the government's policy of levying a tax on the exportation of electric power, we are assured that, for a period of 25 years, this export alone of these 300,000 horse-power will add to the country a revenue of many million dollars.

Neither should we lose sight of the fact that, as a result of these improvements, a navigable channel having a depth of 14 feet will unite Montreal to the capital of Canada. It would be practically the first link in the scheme cherished not only by the Ottawa valley people, but by all Canadians—the first link, I might say, in that great waterway, the Georgian Bay canal.

For these reasons which are of an economic order and bear on the future prosperity of the country, I am strongly in favour of allowing, on reasonable and equitable conditions, this company or any other sound company which may so desire, to undertake the scheme of developing the Carillon water-power.

Sir HENRY DRAYTON: I want to thank the hon. member who has just taken his seat for the manner in which he has dealt with this subject and for his kindness in speaking as deliberately and clearly as he did. I wish I

could answer him in his own language. But with regard to his argument as to the development on the St. Maurice river, at Shawinigan and at Three Rivers, he gets all these things by a policy completely different from that which he is now endeavouring to support. The hon. member for Laval-Two Mountains talked about employment. He wants to give employment to our people by shipping out of the country the chief thing through which employment can be brought to Canada—that natural, rich and permanent gift of nature, to use the words of the hon. member who has just spoken, and in whose language I should like to be able to express it with equal felicity. But there is no beehive of industry about a power plant. It is the loneliest place in the world. Nature does the work, and one or two men can look after an enormous plant. There is no pay-roll worth talking about in a plant of that kind; the pay-roll is where the electricity is used commercially.

Mr. ETHIER: What does by hon. friend think of the resolution of the Trades and Labour Council of Montreal approving the scheme?

Sir HENRY DRAYTON: Perhaps my hon. friend was there and talked about the great amount of labour there would be. But there is very little labour about a power plant; the pay-rolls are where the power is being used.

Mr. ETHIER: How about the construction of the plant?

Sir HENRY DRAYTON: Now, let us see how far my hon. friend is pushed in his argument. Just for the sake of the temporary labour in the construction of the plant he would remove from this country an enormous pay-roll for a long period of years. Talk about selling one's birthright for a mess of pottage; my hon. friend would not even get the pottage out of it. The hon. member is pushed for an argument and he makes an attack on existing power activities in this country. He calls them monopolies, and the like. Well, let us say for the moment that they are monopolies; why should they object to a proposal which would remove from the country that which can be made the basis in the future of an attack upon their local strength? What the hon. member really says is that these co-called monopolies are objecting to something which, if it goes through along the lines of the drafts available, will for all time—and I say it advisedly—remove any chance of opposition to those monopolies in Canada.

Mr. ETHIER: The proposal is only for a license for twenty-five years, up to 1950 and no further; and it is understood that there must be a clause in the license to provide that if the needs of Canada call for over 100,000 horse-power the lease shall be null and void. The hon. member knows enough about law to appreciate the fact that any such provision in the lease will have to be respected by both parties.

Sir HENRY DRAYTON: Perhaps my hon. friend will produce the lease he is speaking of; I have not seen it. The document I have seen does not provide what the hon. member says. It provides for a lease which shall run until January 1, 1964. It then provides for a twenty-one year renewal from that date, that is, to January 1, 1985; then it provides for another renewal of twenty-one years and at the expiration of that second renewal it provides for a fourteen-year renewal from January 1, 2006. I see nothing in it which says that the Canadian product shall be looked after.

Mr. ROBB: What document is my hon. friend quoting from?

Sir HENRY DRAYTON: I said I was referring to the draft lease. It is the only thing we have been able to get. If we can get anything a little more up to date, a little more definite out of this mystic matter that we are trying to get to the bottom of, we shall be delighted to have it; but this is all I have been able to get.

Mr. ROBB: Does my hon. friend contend that a lease has been granted for this power? If so, I want to say that there has been no lease granted.

Sir HENRY DRAYTON: My hon. friend I am afraid was not here this afternoon when this matter was gone into. The only paper I have been able to find dealing with this question of export on the whole of this long file—I admit I have not had time to go through it—are two draft leases, which evidently are the outcome of long negotiation.

Mr. ROBB: That is accompanying an application, but there is no lease.

Sir HENRY DRAYTON: I am not saying there is. I am speaking of this draft lease. If there is anything that would show us what is behind the smoke screen, anything that will make the matter clearer, let us have it.

Mr. ROBB: So long as my hon. friend admits that there is no lease, I have nothing to say.

Mr. ETHIER: With the permission of my hon. friend may I repeat what I said this afternoon, that the delegation which came

here asked for the issuing of a license for a term of twenty-five years, up to 1950. That was the sense of the deputation that came here, representing the National Hydro Electric Company. I do not know anything about the Carillon Industrial Company. I understood that the question over this draft lease which was put in the record without the cognizance of the Minister of Railways, and which was discussed this afternoon for two hours, was settled, and that argument on that would not begin again. There is no question about the proposed draft. The only question is, shall the license be renewed for a long term of years? The question is, will the government take the responsibility of adopting the policy of issuing in special circumstances a license for a long term, fifty years, if you like? But in this specific case we are asking for a license from to-day up to 1950, for a twenty-five year period; that is all.

Sir HENRY DRAYTON: Perhaps my hon. friend would tell me whether that application was in writing and whom it came from?

Mr. ETHIER: No.

Sir HENRY DRAYTON: I want my hon. friend to be fair. I have not brought up again the question of this document. It was my hon. friend the Acting Minister of Finance, who was not here this afternoon, who asked the question. Of course, if I can get anything definite I shall be only too glad to get it. My hon. friend has not yet told us who the directors of this Carillon Industrial Corporation are. I shall be delighted to get that information.

Mr. ETHIER: I gave you the names.

Sir HENRY DRAYTON: No.

Mr. ROBB: My only reason for intervening in the argument of my hon. friend was that I understood, and I believe every member of the House understood, him to be arguing from the point of view that the lease had been granted and I say on behalf of the government that no lease has been granted. The government is not responsible for people who come here from day to day and make applications. My hon. friend has been a member of a government and knows that every day of the week applications come before the government of one sort and another, but that does not mean they are granted.

Sir HENRY DRAYTON: No, it does not mean that at all, but I am quite confident that this carefully prepared document has meant a great deal of negotiation. But be that as it may, my hon. friend from Laval-Two Mountains (Mr. Ethier) is wrong when he says he has given me the names of the directors of the Carillon Development Corporation. If he has those names, I would like to get them. No, they were not given.

My hon. friend wants to know who is behind the Gazette. I tell him frankly I do not know. He may as well ask who is behind the Globe. He will find the Globe is taking precisely the same attitude as the Gazette. He will find that some people look upon this question as a large national question entirely removed from any matter of party politics, but as a matter that is really vital to Canada. My hon. friend talks about monopolies, and says this project is only fought by monopolies. I wonder if my hon. friend is really serious in saying that? I do not think he can be. I do not think he can be serious in saying there is a power monopoly in Ontario. The people are not being bled in Ontario for power; they are just paying what it costs and nothing else, and if my hon. friend objects to a monopoly, as he calls it, which is run for the benefit of the public, without cost to the country except the actual cost of the service—well, my hon. friend may call it a monopoly, but he will not have many supporters. I wonder if my hon. friend really thinks his case is so weak that he has got to come down to the point of charging those who are against him with being monopolists? It seems to me that he does.

I would again point out that if anything is to be done with what I hope will never be heard of again—and I did not have this before me at the time I pointed it out previously—do not let us have the delusion that anything is being done for Canadian municipalities. If anything is being done, it is along the lines proposed. There is no municipality that I know of in that neighbourhood that is as big as Brockville, for example. No municipality can get into this until they ask for at least 10,000 horse-power. Brockville takes only a comparatively small amount; I will give the figure later, I cannot find it at the moment, but it is only a small amount.

Mr. hon. friend the Minister of Railways (Mr. Graham) made an argument which is entirely to the point, that is, if his argument is correct. He points out that the policy of the government is consistent, that no harm can be done by issuing merely a yearly license. Of course, he sees at once that if you get away from a yearly license and you invite a large investment on the other side of the line, it is going to be very hard to take away the power and scrap that investment.

He realizes that, and so he says that the yearly license has done no harm. But I just want to point out to the House that even under those circumstances we are no longer in control of our power, to the extent that we have let it go.

Mr. LOW: Did my hon. friend realize that in 1912-13 when his government granted a license to the Cedar Rapids Power Company to export 100,000 horse-power?

Sir HENRY DRAYTON: What I was going to point out to my hon. friend is this: The first time I had anything to do with this matter was in the year 1917 and, as a matter of fact, my hon. friend knows it.

Mr. LOW: Very well, but my hon. friend was a member of the government when the license was granted to the Bridge River Power Company.

Sir HENRY DRAYTON: My hon. friend has been looking into this question, and must know about the situation as set out in the report.

Mr. FORKE: There was the largest export of any year in 1917.

Sir HENRY DRAYTON: Yes, it was a large export.

Mr. PARENT: On a one-year license.

Sir HENRY DRAYTON: I am not denying that for one minute. I do not know what is wrong with the Minister of Trade and Commerce.

Mr. LOW: Nothing at all.

Sir HENRY DRAYTON: Then perhaps we can get on. I am not saying that to-day the licenses are for a longer or shorter period than at any other time; I am simply saying that even under a yearly license, the granting of which the Minister of Railways referred to as the government's invariable practice and a sound practice, we lose control of our power.

Mr. LOW: Did my hon. friend hold the same opinion in 1921 when he granted a license to the Bridge River Power Company?

Sir HENRY DRAYTON: Perhaps my hon. friend will let me get on. I do not know whether anything turns on the point of granting a year's license; if my hon. friend wants to interrupt he can, I do not mind it. If the minister thinks there is any difference in the practice now I wish he would point it out so that I would know. If he wishes to say that in 1921 we gave licenses for more than a year let him say it. But if he does not wish to make a statement of that kind his interruption is not germane to the argument.

Mr. LOW: My hon. friend is charging the government with issuing a license for a longer period than one year, and at the present time we have not issued one.

Sir HENRY DRAYTON: I know there is a movement on foot looking towards that end, and I know we have not had very much luck in getting information as to that movement, or as to what the government would do. All the government need say, in order to clear matters up, is what its policy is going to be in connection with this export. If the government will say now: We have no idea of enlarging the term, we will do nothing to tie up the country, the license will be a yearly one as in the past, all this discussion will stop. But we have at least got the right to insist upon learning, so that the country will know, what the government's policy is on a most important question. My hon. friend can do me a great kindness and save me the necessity of talking at greater length if he will answer the question.

Mr. LOW: My hon. friend is simply building up a straw man for the purpose of knocking him down.

Sir HENRY DRAYTON: Will my hon. friend say that this application is a "man of straw?"

An hon. MEMBER: Absolutely.

Sir HENRY DRAYTON: Did anyone say "absolutely?" Does any member of the government say "it is a man of straw"? If not, the Minister of Trade and Commerce is not getting very far with his interruption. Now I will go back to where I was when I was interrupted. The act regulating the export of electricity came into effect in 1907. I was just going to take one contract, in connection with which we have had a lot of unfortunate trouble, and that is the contract with the Ontario Power Company. In the year 1908, and the amount was even less the year before, the Ontario Power Company generated for export 4,610 horse-power under merely the yearly license. Now take the situation in 1917, and it shows what happens when there are large distribution plants on the other side of the line. I read from the report of the Power Controller, published in 1919:

> Between August, 1904, and April, 1917, it acquired a private right of way leading from Niagara river to the city of Syracuse, with lateral lines to the city of Lackawanna, adjacent to Buffalo, and to the city of Auburn, and constructed upon these rights of way, in the main, two high tension steel tower transmission lines, with carrying capacity for the distri-

bution of the 60,000 horse-power it had purchased rom the Ontario Power Company; and secured customers whose aggregate firm demands were as stated on the schedule of contracts between the Niagara, Lockport and Ontario Power Company and its customers, hereto annexed. Furthermore, in this period of time it had constructed large and extensive sub-stations and switching stations at Lockport, at Gardenville (near Buffalo), at Mortimer (south of Rochester), and at Solvay, adjacent to the westerly corporation limits of the city of Syracuse. For the creation of this property during the period of time mentioned, there was expended approximately $10,000,-000. Aside from this, customers secured by the company had been busy during the same period purchasing and installing equipment for taking the power purchased from the Niagara, Lockport and Ontario Power Company, in connection with which millions more had been expended.

I am quite sure if the Minister of Railways were here he would see the fallacy of the position. You cannot utilize this electricity without these tremendous investments being made. And there are some things that do not turn upon the form of a contract, particularly when you get down to a question which assumes on international complexion over night. How idle it is for any of us here to say that simply because the power goes out on the strength of a year's license this government would feel itself justified in cancelling that license and saying that to-morrow morning American municipalities shall go without water and without light. And yet that is what the government has been doing. There are certain things you cannot do, and a cancellation of that character cannot very well be made.

Now the hon. member for Laval-Two Mountains (Mr. Ethier) spoke about monopolies and about the prices here. In reply to a question he gave me one bit of information, and that was that Hon. Mr. Miles was connected with this movement. Well, I might perhaps have known that after reading the article which appeared in that gentleman's journal.

But he is the same gentleman who, in his attack on the Cedar Rapids—and he can be just as successful in that as he likes—pointed out to us that power was exported to the United States for only $12 per horse-power per year. Why, there is a pulp mill just across the river which is churning up Canadian pulp into paper because it can do that with exported Canadian power at $12 a horse-power and if that plant were in Montreal it would cost them a great deal more. The argument presented by my hon. friend from Laval-Two Mountains is no argument at all. He states that the local purchaser is going to be looked after if this goes through. Is it not absurd to think that anyone would seriously argue that the more electricity you sell out of the country to the United States the cheaper will be the cost of electricity in Canada? But that is

[Sir Henry Drayton.]

where this ridiculous argument goes. We are not the only people who have found out exactly what happens when you sell electricity. I am going to read, Mr. Chairman, from an article written by Paul Lewinson in the International Relations Section. It is produced in The Nation of Wednesday, June 25, 1924, at pages 746 and 747, and this has to do with the International Relations Section, and there is some realization of what the sale of electricity internationally might produce in international relations. I am not going to read it all, but simply a small portion of it. He says:

> Approximately one-sixth of the total power produced per annum, then, goes into the export trade; in amount of power available for export at any given moment, however, the proportion is much greater—about one-half. The difference is due to the fact that the production of electric power goes on much more continuously for domestic than for foreign consumption.
>
> Again, on the surface—

And this is the argument we get:

> —This would seem to be wholly advantageous to Switzerland. Switzerland has water-power to spare; France, Italy and Germany need it and are willing to pay for it. Why not sell it, like Swiss cheese, Swiss watches, or Swiss milk chocolate?

The hon. member for Brome (Mr. McMaster) had a similar argument the other day, but he did not take cheese as an illustration. I forget what he took, but his argument was the same. This article continues:

> Unfortunately a little consideration must make it obvious that electricity as a commodity for export is not in a class with cheese and chocolate. Electric power is primarily a service. Ordinary goods can be stored against a shortage. Electricity can not. Ordinary goods can be bought in the open market when the usual source of supply is cut off. Electricity, supplied over expensive and fixed transmission lines, can not. Ordinary goods have common substitutes quickly available. But it would take from eighteen months to two years to build sufficient steam generating plants in the French provinces on the Swiss border to cover the withdrawal of electric power supply on the part of Switzerland.
>
> The city of Milan already depends on Swiss electricity for a large measure of its street lighting and tramway service.

Just as in the case of American municipalities.

> So do many towns in northern France. In Italy and France and Germany as well great industrial undertakings depend on the uninterrupted transmission of power from the great Brusic, Waggital and Olten-Gosgen plants. Were the export of power suddenly to cease, whole provinces in these countries would be plunged into darkness, their transit facilities cut off, their chief industries ruined.

If we go into this export business on fixed terms and go into it any more extensively than we have got into it now—and I think it is a pity we have gone as far as we have—we are going to make a mistake that we will

only regret once, and that once will be all the time we realize it. The minister presented a further argument this afternoon based upon his statement that the Hydro was in favour of export. Of course in some circumstances, under existing conditions it is perfectly right, to the extent that we have gone into it now. What I mean is this: If we have, as unfortunately we now have, a shrivelling population and decreasing activities, and the power we produce now is more than sufficient, and if we have somebody going ahead and wanting power, and can arrange with them so that they will take it, and not make any new commitments, not go into any new contracts, but simply utilize that power instead of using a steam plant, temporarily we are doing no harm. But apart from that, the Hydro certainly does not want any electrical institution that is not run in the interests of the public. Just think of the suggestion which is made. To-day they are exporting power at the rate of $12.35, when they are charging their own municipalities $24, and they have to do it.

Mr. CAHILL: Is it my hon. friend's opinion that power would be cheaper in Canada to-day, say in Toronto, if that power were not exported?

Sir HENRY DRAYTON: Yes.

Mr. CAHILL: What makes the hon. gentleman think so?

Sir HENRY DRAYTON: We are getting, Mr. Chairman, $12.35 per horse-power. It is to some extent below cost. It is certainly below the market value, and to the extent that that is below the market value, everybody else has to pay just that much more; and that is just what they are doing.

Mr. CAHILL: What is the basis of market value?

Sir HENRY DRAYTON: That is a difficult thing to get at. Suppose we go back to the basis of production cost of labour; the basis of production cost is interest charges in the first place, and when you get by your interest charges, the next question of cost you have is the cost of supplies and labour which you know have gone up very much. I admit very frankly that the percentage of the increase of labour is very small in one of these plants, and further that the interest cost of the first installation cannot go up. It is still there. The bonds are still there; but where the interest cost does come in is that in the operation of a lot of these plants —and I happened to be in charge at the time as controller during the war period— there is any amount of damage done by running the plants under stress, getting the very last kilowatt hour, running them over the mark without any let-up at all. My hon. friend knows about the fatigue that sets in and about the danger you have from overcharge, surcharge or a back charge. We had a lot of this, and it entailed great expense and much work after the war putting the plants really in proper shape. A lot of reconstruction had to be done, with the result that the Hydro had to advance the price in Toronto from $17 to $24, if my memory is correct. I think they charged $17 to the municipalities and the charge is now $24. But in connection with the export they cannot do that. They are still held down to the $12.35. If this government to-morrow were to say, "We will have no more export," and took the chances of doing what I do not think they could do—

Mr. CAHILL: I wish to ask for information if my hon. friend does not mind giving it to me—

Sir HENRY DRAYTON: Not at all.

Mr. CAHILL: Is the contract that the Hydro have for $12.35 a term contract?

Sir HENRY DRAYTON: Yes.

Mr. CAHILL: It is for a period of years?

Sir HENRY DRAYTON: Yes.

Mr. CAHILL: If that were made to a Canadian firm, would it not hold just as good?

Sir HENRY DRAYTON: Yes, but I cannot understand any power company making a power contract to a customer under an arrangement like that. They certainly could not do it under the Hydro-Electric regulations.

Mr. CAHILL: How was this made?

Sir HENRY DRAYTON: In this way. In the first instance the Ontario Power plant was an American company entirely. That was the producing end of it on the Canadian side. On the other side there was the distributing end. The two companies made the deal between themselves. There was friction between the Hydro and the Ontario Power, and finally the Hydro bought the latter out. The original contract had a right for three renewals, and in the deal the Hydro got the three renewals taken off. They could not get away from the first contract which has yet twenty-five years to run.

Mr. CAHILL: What difference would there have been had that power been contracted to

a Canadian firm? In what way would the question of export be affected if, before the Hydro originated in Ontario at all, the power had been contracted to a private company, say to the city of Ottawa? Would the contract not hold just as good as to export?

Sir HENRY DRAYTON: The only thing is that it would never be done.

Mr. CAHILL: It would have been done if there had not been the Hydro.

Sir HENRY DRAYTON: It unfortunately has been done here. Just on the general issue, I want to make another suggestion to my hon. friend. With the increased cost of coal, these water powers are becoming of great value. If we had all our water powers run by municipalities, or if the prices for electrical energy were all controlled by a proper board which would see that they were not excessive, the government rent would not make much difference. The people would get the whole benefit of it. But just as soon as you export the power, the people derive no benefit from it at all, except from whatever charge is being made. If the government are going to take any action with this thing—and of course I can only go on in the dark because they will not tell us what they are going to do—they should leave the present lease in the position in which it is left by the Minister of Railways and Canals (Mr. Graham) to-day. He has authority to renew it, but he will not renew it. No construction has gone on and he has not renewed it. Instead of its being renewed, what ought to be done is this, and I think it is done in the province of Quebec. My hon. friend (Mr. Cahill) will know this much better than I do. I think they advertise all these powers for sale before they are leased. If this power is to go out of the country, if every plea we make is of no avail, at least let us get for it something worth while. The power can be developed to sell at a profit on a 10 per cent basis unless conditions have changed very much. I admit conditions have changed and I may be a little out one way or the other. I am not, however, very far off, and I think I am conservative in saying that the power can be sold at a profit at from $12 to $15 a year per horse-power. My hon. friend shakes his head. There is to be a head there of 133 feet.

10 p.m.

Mr. CAHILL: How much would that be per horse-power installed?

Sir HENRY DRAYTON: $120 installed

Mr. CAHILL: My hon. friend, of course, knows it could not be developed for that.

[Mr. Cahill.]

Sir HENRY DRAYTON: I know of powers that have been put in cheaper than that. I have had to do with them. I admit that was some time ago, but I do not think I am very much out to-day when I say that I think they can be put in for $120 to $150 per horse-power installation. A multiplication has been going on in the cost of steam electricity, which our friends to the south have to rely on, as a result of the increase in the price of coal. I certainly think we ought to see that the country gets what should be coming to it out of the export of our power, if export there must be. I really think the government should give us their policy now.

Mr. BALDWIN: After at least ten or twelve years of observation and experience in connection with hydro-electric power, weighing all the pros and cons and viewing the question from every angle with an open mind, as a Canadian citizen I can say unqualifiedly that I am against the export of electrical power which is our greatest asset. From any standpoint Canada has everything to lose and nothing to gain in permitting the export of this, her richest asset. Electrical development is still in its infancy, as is acknowledged by all scientific people. A multitude of uses are making their appearances from year to year, and not one electrical plant has yet been developed practically all the power of which was not sold before the plant was ready to deliver the energy. For example, in the Eastern Townships in which I live, a district of 6,000 square miles including the cities and towns of Drummondville, Granby and other towns, Sherbrooke, St. John, St. Hyacinthe, $25,000,000,000 have been laid out in plants to say nothing of the houses and other adjuncts that run with the property. We are paying out in that district over $5,000,000 annually for labour. That district has made such a distinctive showing that it is known as the New England of Canada. Just last year we developed a $3,000,000 plant. We had no idea of increasing the plant right away, but in a very short time we contracted for a million dollar addition. If we had made a larger plant in the first place, instead of waiting as we expect to wait until 1928, we would have been a year or two ahead. When we think of exporting power to a foreign country to build up towns and cities there, where labour will receive wages, dividends will be paid and communities will be built up, while we in Canada have a lone generating plant covering the needs of a dozen or so individuals and making us no better off for the development of that energy, it seems that every Canadian

who understands this matter would say: No, we shall not develop power here to send over to a foreign country to build up that country at the cost of Canada. Take, for instance, the cost of coal and oil during the last few years. We look with pride on our white coal. Someone said this afternoon that the coal supply of the United States will be exhausted in less than forty years. The power generated by our great hydro-electric stations grinds our pulpwood, turns the great paper-making machines, and hoists and crushes the ores of our mines. But at the present time there is not enough energy in Ontaro and Quebec to look after the mining prospects in the Rouyn district. This power runs our electric railways, lights our streets and homes and operates innumerable domestic appliances.

There can be no question about the mistake of allowing this power to be exported, for vested rights are created and to discontinue the export would inevitably lead to international complications. It is a well known fact that the demand for electric power doubles every six years, some say every seven years, but whichever figure is correct there can be no doubt that all our available water-powers will be needed within the next twenty-five or thirty years. There may be great potential hydro electric power in the Hudson bay region, the Mackenzie district and the Yukon, but it would require railway facilities to develop these powers, and therefore they need not be considered in discussing this subject.

Mr. MEIGHEN: What was the period?

Mr. BALDWIN: All our available water-powers will be needed within Canada in the next twenty-five or thirty years.

Mr. MEIGHEN: I think the hon. gentlemen is a little long in that.

Mr. BALDWIN: Well, I am very generous. I said the power demand at this stage doubled every six years.

Mr. MEIGHEN: On that estimation which I do not counter at all, how much would be within the available transmission range area in Canada?

Mr. BALDWIN: A very much higher estimate was given here to-day by, I think the member for South York (Mr. Maclean); he said 40,000,000 horse power.

Mr. MEIGHEN: That is where the hon. member was led astray. The 40,000,000 is the estimate for the whole Dominion in all its reaches.

Mr. BALDWIN: Inaccessible—

Mr. MEIGHEN: Inaccessible and accessible. That would include the water powers of Labrador, which it would be quite impossible to reach.

Mr. CAHILL: When will we get Labrador?

Mr. MEIGHEN: We never will unless this government moves faster.

Mr. BALDWIN: Twenty-five or thirty years is quite a space in the life time of an individual, but not of a nation. Something has been said to-night about a monopoly. I have a list of companies that certainly are not joined with any monopoly. They are: Chicoutimi Pulp Company, Price Brothers Company, Duke-Price Company, Southern Canada Power Company, Ottawa Hull Power Company, Montreal Ottawa Power Company, Laurentian Power Company, Ottawa Electric Company, and the Canadian International Paper Company. The Southern Canada Power Company I know perfectly well is owned by the people it serves, but the member for Laval-Two Mountains (Mr. Ethier) stated that this was in the merger. No outsiders have any control over that company. I am free to say that these nine companies are not comprised in any merger, nor are they controlled by any of the great power interests that have been mentioned to-night.

New demands are always arising for electric power and, as I have said, not one big power plant has yet been completed before its entire output was sold. This afternoon some conflicting arguments were put forward in regard to that, some members contending that there was a surplus while others were just as emphatic in asserting that there was a shortage of horse-power in Ontario. I do know that boards of trade and other institutions that have any interest in public affairs in 1920, 1921 and 1922 sent resolution after resolution to all the hydro-electric power companies of Ontario asking for the withdrawal of the export of power from the Niagara district to Buffalo, Tonawanda and other places across the line, but this was found to be impossible. I do not think that we could attempt any such withdrawal of export without international trouble arising immediately, and this would be unthinkable, for it would destroy international good will. If we are to guard against such a contingency in the future, we must look after our business now and not commit ourselves to any further contracts for the export of power to our American neighbours. That seems to me quite reasonable.

I have taken pains to secure the best authority on the subject in this country. I was in favour at first of an export tax on power and I asked the member for Vancouver Centre

(Mr. Stevens) if there was anything to prevent our imposing an export tax of $20 per horse-power in case any contract was not being lived up to by the United States. He answered no. That seemed to me to be as good as an embargo. But how could we collect such a tax if under a contract with the United States they took umbrage and said "We will not pay it"? As I have said, to at once cut off their supply of power would bring about a state of war. Now, if for no other reason, I object to the exportation of power to the United States because I do not believe that once vested rights are created we could for a moment entertain the idea of cutting off the supply. For instance, when the city of Chicago, through their drainage canal, commenced to divert water from the Great Lakes they asked for about 4,000 cubic feet per second. It went on and on until they had diverted over 10,000 cubic feet per second; and we have had all the cities in the United States that border on the Great Lakes working to assist us in preventing that diversion, because it operated to the detriment of those cities as well as to the detriment of Canada. But the whole combination of interested people are unable to stop this diversion. Recently the Supreme Court of the United States handed down a decision that the city of Chicago has no legal right to divert this amount of water. The court ordered the city to stop using this amount of water within sixty days and to cut the quantity down to less than half of that amount. All parties who are against this diversion which is seriously affecting navigation by lowering the level of the Great Lakes, hail the decision of the United States Supreme Court as a victory, but does anyone think the city of Chicago will forthwith stop this illegal use of the waters which Canada owns? Experts, lawyers and engineers who know the situation, think that perhaps some time within twenty years they may stop using the waters, but not within sixty days. If they ignore a contract as between two individuals or corporations; if they ignore an international contract in that way, who can have confidence in their adherence to this decision? We know that our water-powers are a great asset to our country, as we have tried to illustrate in a few ways down in the Eastern Townships. We know that all over this country, particularly in the Ottawa valley, industry is languishing. In view of the fact that these international agreements have been ignored, that an illegal diversion has taken place and that there is no willingness to allow even one horse-power to revert back to Canada, I am emphatically against the export of power to the United States unless it be under contract limited to a period of twelve months.

Mr. MEIGHEN: The very large file which was brought down and for which this debate was postponed is not really yet known to or read by the members of the committee. I have not had an opportunity to read it; indeed, I could not do so without absenting myself from here. I am sure nobody else has; consequently I think the minister would be well advised not to delay further with this estimate, or, if he does, to permit the discussion to be resumed when there has been some reasonable opportunity, copies of the file being circulated, for hon. members who are most interested to read it. But if the minister will give a definite statement of policy now, to which the committee undoubtedly is entitled, this may be avoided, and I for one will not insist on any further delay for the purpose of reviewing this file. I will put what I conceive to be the pivotal questions to determine what the policy of the government is. First, is this government prepared to undertake to the House that there will not be issued by this government licenses covering a longer period than a year? Can I get an answer in the affimative to that? I do not see many signs of one, nor have I seen any signs of one in any of the speeches of the members of this government.

Mr. JACOBS: Is it not a case of silence giving consent?

Mr. MEIGHEN: Giving consent to what? To the export?

Mr. JACOBS: For twelve months.

Mr. MEIGHEN: Silence gives consent for twelve months?

Mr. JACOBS: No, to the issuing of no licenses for a longer period than twelve months. Of course I am not talking for the government.

Mr. MEIGHEN: Will the Minister of Trade and Commerce permit that answer to stand for the government?

Mr. PARENT: He has no application before him. He cannot answer.

Mr. MEIGHEN: I am applying now, though I do not know what satisfaction it will be to the House to know after it is done. I am without an answer. This is the second question: Is this government prepared to undertake that yearly licenses hereafter shall not be issued for new industrial purposes in the United States, or new municipal uses?

Now both these questions are clear as day to every member of the government and this House. I will sit down and give the Minister of Trade and Commerce or the Acting Minister of Finance every opportunity to answer, and if I receive an affirmative answer in both cases, personally I shall be content.

Mr. FORKE: Would the right hon. gentleman state that second question again?

Mr. MEIGHEN: The second question is this: Will the government undertake that yearly licenses in addition to those already issued will not be issued for power to be used for new industrial purposes in the United States, or for new municipal uses; that is to say, for purposes that will entail the investment of large capital over there which would be seriously impaired if the license was ever withdrawn?

Mr. ROBB: My right hon. friend who asks this question was himself a member of the government that in 1912 or 1913 gave a license to the Cedar Rapids Company for export.

Mr. MEIGHEN: I admit that, and I am going to say what I think ought to be done. Will the minister answer yes or no to these questions?

Mr. LOW: Is the right hon. gentleman through with his speech?

Mr. MEIGHEN: I am through with the questions, yes.

Mr. LOW: The Prime Minister this afternoon, and also the Minister of Railways and Canals, endeavoured to make the position of the government as clear as possible. I do not think either myself or the Acting Minister of Finance could add anything to what the Prime Minister has already stated.

Mr. CRERAR: Through an inadvertence on my part I was unaware that this discussion was to come up to-day. I was not in the House this afternoon, and I should be glad if the Minister of Trade and Commerce could give me in a word what the position of the government is in the matter.

Mr. MEIGHEN: I was in, and I do not know.

Mr. LOW: If my hon. friend will read Hansard to-morrow he will find that out.

Mr. ROBB: The hon. member for Marquette may be surprised to know that we have a letter from the Minister of Public Works for Manitoba, Mr. Clubb, protesting against the recent tax on the export of power because, he said, it would prevent the Water Power Commission of Manitoba from exporting power to Minnesota and Dakota.

Mr. CRERAR: I am not surprised at all, because I was aware through the public prints that the Minister of Public Works for Manitoba had made representations to the government here of that character. But that does not solve the question. I want to say in all seriousness, speaking purely from the angle of my responsibility as a member of parliament, that the government of Canada—or the people of Canada, if you like, who can only speak through their government in the matter—should have a definite policy on this question of export of power. I think the time has come for that question to be considered and a conclusion reached upon it, and I should like, if I may, very briefly to give my reasons. In respect to this Carillon development, I know very little of it; in fact, I must plead guilty to knowing almost nothing about it outside of what I have learned in the discussion this evening. I was not particularly impressed by the argument advanced by the hon. member for Laval-Two Mountains (Mr. Ethier). The argument in favour of this development that it will bring in some forty or fifty million dollars worth of capital for investment in Canada does not, I am bound to say, appeal very strongly to me. I may hold rather peculiar views upon this question, Mr. Chairman, but one of the things that gives me some concern in my waking moments is that this Dominion of Canada of ours is being rapidly mortgaged to our great neighbour to the south, and I have never overlooked the fact that the person who holds the mortgage ultimately calls the tune. That is the first objection.

The second argument advanced by my hon. friend from Laval-Two Mountains was that this development was necessary to combat a monopoly in Canada. Now where is the monopoly in Canada, and how are you going to combat a monopoly in Canada by exporting power from Canada to the United States? I cannot for the life of me see the force of that argument. There may be a monopoly in Canada—I am not saying there is not—in the region that would be served by this power, but if there is, how on earth can you advance the argument that you are going to break that monopoly by exporting the power to the United States?

Mr. JACOBS: Have we not enough for ourselves and for export too?

Mr. CRERAR: I am going to deal with that in a moment. I am happy to anticipate

what is in the mind of my hon. friend. I say that it is essential that the government should have a policy in the matter. The use and value of electrical energy in satisfying human needs, and in turning the wheels of industry, is only commencing to be recognized. Thirty years ago it was practically unknown. All this vast development has taken place in that short period of time. Not only that, but as the hon. member for South York (Mr. Maclean) has suggested, improvements are constantly being made in engineering science and in the transmission of electrical energy, so that we may reasonably expect within a comparatively few years at any rate, that electrical power will be distributed over far greater distances than are possible at the present time, and with much less loss.

I hold to this policy, and I dare say it is one that may not find support in some quarters of the House. I hold that the great water-powers of Canada are among the most valuable resources that this country retains. Now from the very nature of it, electrical energy on the rivers of Canada can only be developed by a large investment of capital, and I hold absolutely to this principle, that that development should be under public aegis, and should not be done by private capital. I do so for this reason: I recall, if I may give an experience of which I have knowledge, that in the province of Manitoba we had a private power development, the first that was undertaken and carried through in that province. In 1906 the citizens of the city of Winnipeg were paying 16 cents per kilowatt hour for power to light their homes, and were paying about the same rate for power to drive their machinery. The city of Winnipeg thought that rate was too high and it approached the private power company with a view to securing an arrangement for a lower rate. It was unable to make an arrangement with the power company, although it offered them a very advantageous bargain. I think as a matter of fact the power company held out for some ten or twelve cents per kilowatt hour, while the city wanted to negotiate on a basis of eight or nine cents. Failing to reach an agreement, the city of Winnipeg at that time undertook its own power development on the Winnipeg river, and brought that power into the city over a distance of eighty miles, and the day the transformer started to work the rate was three and one-third cents per kilowatt hour, with a ten per cent discount for cash, and it has remained at that point ever since. Not only have the citizens of Winnipeg had in consequence the great advantage of cheaper light and power, but the city by careful management has built up very handsome reserves, and within the last year the revenue from the power made a contribution of $100,000 towards relieving the city taxation. That is an outstanding example, but one that can be duplicated anywhere in this country, and I say that this vast resource, the value of which is only beginning to be realized, should not be turned into private hands for private exploitation. I would have the water-powers in the valley of the St. Lawrence from the headwaters of the Great Lakes to the Atlantic ocean developed by public money. I would not have them distributed and sold by public money, but I would have them made available to every manufacturer and to every city in Canada that wanted to use that power, and I would give it to those manufacturers and to those cities at cost. In that way you would place our manufacturers and our artisans in a much more favourable position to compete with the whole world.

There is one other aspect of this question of the export of power that should receive the most serious consideration of the government. I agree altogether with the argument of my hon. friend from Stanstead (Mr. Baldwin), who stated that within a comparatively few years—I think he put it at some twenty-five or thirty years, and that is a comparatively short period in the history of a country—all this power would be required in Canada. I agree with him. I look forward to the time when this country will have not the eight or nine or ten millions that it has now, but fifty or sixty or seventy-five or even one hundred millions of people, and that will come within the present century, or almost so, I believe. When that time comes, shall we not require all this power, and more, in Canada? And what position are these central provinces of Ontario and Quebec in with respect to the development of power? What other agency is there for the development of power in these provinces outside of the water in your lakes and streams? You can bring in coal from a foreign country, it is true, but you may have that shut off some day, and while you have coal down in the extreme east of Canada the cost of bringing that coal to develop electrical energy, for instance, in the heart of Ontario is very considerable, and I have never had any very great hope that the needs of Ontario and Quebec in the matter of fuel, and particularly Ontario, can be met by the coal mines of Alberta or the mines at Sydney, for the distance is too great. And looking to the future, not to-morrow or the day after to-morrow,

but twenty-five or fifty years from now, that question should give all forward looking Canadians food for thought. Twenty-five or fifty years from now you may be absolutely dependent upon the power generated from your lakes and streams to turn the wheels of industry in this province, which will then have five or six and perhaps ten times the population it has to-day.

Now what do you propose to do under the Carillon project? You propose to give a license to this company to export at least three-quarters of the power that is developed to the United States.

Mr. LOW: Who proposes to do that?

Mr. CRERAR: The promoters of the scheme. I will hasten to set the mind of the Minister of Trade and Commerce at rest at once. I am not suggesting for one moment that the government have fallen before the tempter in this matter—not for a second do I suggest that. I hope they will not. But it is estimated, I understand that 400,000 horse-power will be developed under this project, and that 100,000 of that horse-power will be retained for Canadian manufacturers and Canadian users under certain conditions. The inference is that the balance of 300,000 horse-power will be exported to the United States. That will mean of course the building up of industries in the United States, and if I were a good protectionist in fiscal policy, which I must confess I am not, I think I would be utterly opposed to the export of power to the United States that will permit, for instance, the development of industries that will compete with industries in Canada. I can understand my hon. friends to the right. I have given up almost hope entirely that they will ever see the light in fiscal matters; but I did have some hope with respect to members of the government, and I trust they will give that aspect very serious consideration when they come to consider this application for the export of this power to the United States if it is ever presented to them.

But there is one other point: If you export power to the United States under a contract, or under the proposals that are connected with this Carillon development, will it not be extremely difficult in twenty-five years, or thirty years, or forty years fron now, when the franchise expires, to refuse permission to export the power to the United States? You have not only created, unless you are careful, unless the greatest care is taken in the terms under which these export contracts are made, conditions with respect to the people to whom the power is sold but going even further—and I will refer to that in a moment—this country will find itself in the position, twenty-five or thirty or forty years from now, where it may be very difficult to refuse to allow the exportation of that power to the United States. What then should be the policy of the government in the matter?

Mr. LOW: Will my hon. friend let me ask him a question?

Mr. CRERAR: Surely.

Mr. LOW: Did my hon. friend ever see a copy of the license granting the right to export power? It contains a clause that sets forth very clearly that the license is only for one year, and that the licensees must not enter into any contract which they will be unable to carry out if this contract is not renewed.

Mr. MEIGHEN: Will the minister say he will always use that form?

Mr. LOW: That is the form we are using to-day.

Mr. MEIGHEN: Will the minister say he will always use it?

Mr. JACOBS: Does my right hon. friend expect the minister to be there always?

Mr. MEIGHEN: He is not earning a much longer time to-night.

Mr. CRERAR: That gives a certain protection I am quite free to admit. But this development is in its infancy in Canada. I venture to predict that within the next fifteen or twenty years there will be opportunities presented for the development of all the water-power that may be running loose in Ontario and Quebec for export to the United States, and that is why it is necessary to settle on some definite policy. If power is exported to the United States in large volume I venture to offer this suggestion to the government: That they should make it clear, as a government, not only to the purchasers of that power in the United States in the person of private parties, but to the government of the United States, that this country reserves the right to withdraw that power when it sees fit to do so. Then you put the question beyond the possibility of any international complications later on. You must bear this in mind—that the United States is a country of 110,000,000 people alongside of us; it has over ten, yes almost twelve times the population we have got. American capital comes in here; it develops this power; it takes it across, and very often takes it across for use in industries allied to the capital that is

invested here; and that continues for twenty-five, thirty or forty years. Thus you may have something in the nature of a vested interest grow up that would be very difficult to break; and I would like to see, for the benefit of those who may be guiding the destinies of Canada twenty, thirty or forty years from now, after we are all gone, something on record with the government of the United States putting that aspect of the question beyond any manner of doubt whatever when the time comes that Canada requires the power for her people.

Mr. LOW: What stronger notice can be given than the words embodied in the act itself? The license is only for one year.

Mr. CRERAR: That is true, but I believe that in the case of this project the minister hesitates to give that assurance. However, aside from that I offer my suggestion to the government, in all good faith, and not in any captious way because it does seem to me the matter is one of the very greatest importance that could probably be considered in this House.

I do not know that I have any further remarks to make on the question we are discussing. What I have said is fragmentary because it has been said almost wholly on the spur of the moment. I do not wish to place myself on record as being opposed to the export of power but I do wish to emphasize this point: It should be made clear beyond any question of doubt, to the people who are buying the power and I think it should be made a matter of record with the government at Washington, that this country reserves the right to withdraw this power whenever the government of the day in the future thinks it is necessary for the Canadian people.

Mr. ROBB: I do not think there is any difference of opinion on that point.

Mr. MEIGHEN: I am afraid the hon. member for Marquette (Mr. Crerar) was scarcely careful enough in the last sentence. That is why his statement was seized on by the Acting Minister of Finance to say there was no difference of opinion. I have no doubt at all that in anything the government purpose doing there will be some clause about the power to withdraw, but I know this, that if they do what is only too plainly in their minds the withdrawal will never be within the practical power of this country; and I am very suspicious from the conduct of ministers to-night that they do contemplate a further exportation of power from the Carillon falls, and exportation under circumstances that they cannot possibly ever recall. Hon. members of this House could not but have witnessed the hesitating, vacillating way in which ministers arose and refused one after the other—four of them altogether—the House any assurance at all that meant anything on this important matter. The questions I put and put repeatedly are plain and clear and only two. I asked the government if they will assure the House that they will not grant the export of further power from Canada other than on a yearly license. I cannot get an affirmative answer. Second, I asked them if they will agree that even on a yearly license they will not grant licenses for further export of power to be used for new industrial or municipal purposes over there.

Mr. ROBB: And I directed the attention of the House and the country to the fact that the gentleman who asked that question was himself a member of a government that gave the right to export power.

Mr. MEIGHEN: I know I was, but is that an answer? Could a minister possibly evade the question in any more suspicious form? Certainly I know the government of which I was a member—the government before that again, and this government—have granted up to now yearly licenses for the export of power. I am not prepared to say that the granting of these licenses has not run to too large a total—I am not prepared at all to say that—but I realize that in 1925 we know a great deal more about the use of power and the rate of expansion than we knew in 1921, than we knew even in 1922 and 1923 when this government acted. But I am not speaking in any spirit of criticism of the past either as to this government or any government. We have to learn as years advance, but I do want an assurance as to the future that this government does not purpose to issue licenses other than by the yearly permit. In the past none has been issued other than by the yearly permit and we want an assurance that they will not change that. What is the inference the House must draw? Is this House going to infer from the conduct of the ministers that they take the attitude that they have not considered this matter?

Mr. ROBB: My right hon. friend will agree with me in this that under the act as it is now we have only the right to export for one year. If we decide to export for any further period, which is not contemplated at the moment—that has been made clear two or three times—we must come to parliament for that purpose.

Mr. MEIGHEN: No, the very contrary has been made clear, and the very contrary

is the fact. The act does not prohibit the government from doing it. It is the regulations, which they can change at any time, which prohibit them. That was made clear by the Minister of Railways. He may be wrong, but I think he is right. He said as far as this statute was concerned, which was passed years and years ago, this government could grant a license for a longer period than a year, but that under the regulations pursuant to the statute, they could not. I am putting it to the minister that that was his statement. The regulations are made by order in council and can be changed at any time. Now, if I have misstated the remark of the Minister of Railways, he will correct me. I hope the Acting Minister of Finance accepts the rebuke implied by the minister's silence.

Mr. JACOBS: I do not think that is quite right. The minister has just taken his seat.

Mr. MEIGHEN: I explained it as soon as he sat down.

Mr. JACOBS: No.

Mr. MEIGHEN: I will do it again. Would he assure the committee—

Mr. PARENT: It is a case where silence gives the answer.

Mr. MEIGHEN: My hon. friend knows it is right.

Mr. PARENT: Yes.

Mr. MEIGHEN: What I have stated is correct.

Mr. PARENT: Yes.

Mr. MEIGHEN: He stated that the statute gives the government power to export, and does not limit the government to the yearly licenses plan, but that the regulations made thereunder do limit the government, in that respect. This I apprehend is the law and I am confirmed in this by the member for Quebec.

Mr. PARENT: Not Quebec.

Mr. MEIGHEN: I mean the member who has just spoken. I have no doubt the minister states the law correctly. The regulations are made by order in council, and this government can change those regulations at any moment, and unless parliament has an assurance that the government does not purpose doing so, and purposes abiding by the regulations that now exist, then the whole matter is just in the hands of the government and all our debate is wasted. Are we not entitled to an assurance? The minister cannot escape responsibility for giving an assurance by the assertion he has just made that they have to come to parliament, because they do not. Now in the failure even to get the assurance that they will abide by the yearly license system, and the failure still further to get the assurance that they will not issue licenses for export of power to be used for new purposes, industrial or municipal, the whole question is before parliament, and I propose to address myself to the discussion. The only policy the government appear to have is to get away with whatever they can, so long as the outcry in the country is not too loud, and, I shall start the outcry to-night and state where I stand. I do not believe that anything but the yearly license system should be followed by any government and consequently I think the time has come when we should cease to increase the export of power for any new purpose of any kind. I hope the government will follow the example I have given and make a clear, definite commitment on this point. I hope the debate will not end until they do. The hon. member for Marquette (Mr. Crerar) has advanced three reasons for his opinion. I do not think his last sentence expressed his real opinion. It was not in accord with his own opinion, and the same with regard to the remarks of my hon. friend from Stanstead (Mr. Baldwin). I will give my reasons for the assertion. First of all, I shall speak in criticism of the course we have pursued. I do not think under the circumstances any government, however wise and gifted with foresight, would have done otherwise. We now license the export of some 290,000 horse-power, but as respects quite a share of that no vested rights have grown up and no difficulty presents itself in reducing the total. For example, as respects the Bridge River Power Company of British Columbia, the cancellation of that license could not be followed, so far as I am aware, by the slightest objection on the part of any industry, and some of the other licenses are not being lived up to.

Mr. ROBB: What year was that license issued?

Mr. MEIGHEN: The Bridge River license was given in 1921 and renewed since that time. If it was not given then, it was given too long ago. The purpose of the interruption is hard to find.

Mr. JACOBS: Was it under the present administration or under the administration of my right hon. friend?

Mr. MEIGHEN: Under both. If it was not under both it is too long ago. The only license given under our administration ex-

pired on the 31st March, 1922. So I say again I do not see what the purpose of the interruption was. It takes an awful small shadow for members of the government to get behind. So that I say we have reached a stage where, although licenses have been outstanding and may be to-day, totalling about that sum, the total of our export responsibilities can be reduced and I do not make complaint of any administration, either the Laurier administration or any other, for inaugurating the policy and pursuing it up to this time.

Mr. LOW: When the government of which my right hon. friend was a member granted a license to the Cedar Rapids Power Company in 1915 for 100,000 horse-power—

Mr. MEIGHEN: It was in 1912, I was told.

Mr. LOW: It was increased in 1915. When his government issued the license for 100,000 horse-power was my hon. friend aware of the length of the contract that the Canadian company had made with the American company? I am told there is a 99-year contract in existence. Was the government of my right hon. friend aware of that at the time?

Mr. MEIGHEN: I do not know whether there was such a contract or not. I do not know anything about the issue of the license, and I do not think I was a member of the government which issued it, but I would like to know where that comes in. If I were making an attack upon any administration for the issue of licenses, the matter might be in point, but really I do not think it would be in point. All the government is responsible for is what it did, and if the Cedar Rapids Company made a contract for a period, extending beyond the period the government took responsibility for, that responsibility is theirs.

Now perhaps we can get to the point. Recent years have been illuminating as respects the value of power; still more illuminating as respects the multiplication of its uses. The asset that Canada has in its water-power could not be appreciated by any man however gifted, even four years ago, to say nothing of sixteen or twenty years ago, as it can be appreciated to-day. The hon. member for Stanstead stated that the experience of those years has shown that the use of power doubles every six years. I had thought the figure was seven, but at all events it is in the neighbourhood of seven. Now in Canada there is no 40,000,000 horse-power that can be taken into account as available for use in this Dominion. I suppose in one sense there are

millions of acres of land available in Canada, if we count what is in Melville island. That is in the Arctic circle, and much of the water-power is of a character comparable with that, that is when the figure 40,000,000 horse-power is used. The best authority on that subject in this Dominion, he who has far the most to do with it, has, in a paper which he has written, estimated that the available horse-power in Canada is not 40,000,000 but 18,000,000, that is what is within transmission range of our population, and that as respects Ontario and Quebec the available water-power within transmission range is only 12,000,000 horse-power. This power that we are speaking of, referring to Carillon, is, of course, for use in Ontario and Quebec, that is for Canadian use. To-day there is developed in Ontario and Quebec something like 2,500,000 horse-power. I ask the hon. members now to consider how long it will be, with a doubling every six years, before the whole available power of Ontario and Quebec is absorbed in this country. If we take the whole Dominion, the whole 18,000,000 horse-power available with 3,500,000 horse-power developed now, and if we take the rate of increase of the last four years and come to the conclusion that the hon. member for Stanstead (Mr. Baldwin) comes to or even to the conclusion that it is doubled every seven or eight years, we find the whole horse-power of this country absorbed within a space of twenty to twenty-five years. Does anybody imagine that any American concern is going to invest in the United States the capital required for the installation of industries to use that horse-power if it knows that horse-power is going to be withdrawn as it is required for use in Canada and all withdrawn within twenty-five years? There is not an American capitalist outside of bedlam who would consider that for a moment. There may be American capitalists who will sign agreements that the power is withdrawable; but if they do, they know it is withdrawable on paper, but that never in actual fact can it be withdrawn. If the government sign any contract or pursue a policy which encourages the utilization of this power within the United States, they do so knowing that we shall require the power year by year and need to extract or withdraw it year by year from them,—the whole of it within a quarter of a century, and, as regards the Carillon power, the whole of it within fifteen or even twelve years. They know they will not be able to do so, no matter what may be the letter of the contract they enter into. Does the minister dispute my argu-

ment? Though so far as any writing or law goes, we can withdraw the whole 250,000 horsepower that is going over there now, does he think we could do it practically if we set to work?

Mr. LOW: No, because some of these contracts that have been entered into are for ninety-nine years.

Mr. MEIGHEN: Does he think we could as regards those that have no ninety-nine or nine or two year terms?

Mr. LOW: So far as the government are concerned, they can do so at the renewal of the leases.

Mr. MEIGHEN: The minister knows as well as he is sitting in his seat that he could not withdraw a bit of the power. Let him test it out by way of example and see where he is going to land. We have some experience in this matter. We remember the days towards the end of the war, the corner we were in then and the pressure upon us. We were face to face with facts. Anyone who was through that experience knows where he is going to land when he attempts to withdraw power on the basis of which industries have developed and get their life.

Mr. CAHILL: What are the facts that the leader of the opposition is speaking about?

Mr. MEIGHEN: They have been related by the hon. member for West York (Sir Henry Drayton). We were face to face with the fact that we could not withdraw power when industries in Ontario and Quebec were starving for power.

Mr. CAHILL: Because a contract had been signed.

Mr. MEIGHEN: No, because there were yearly licenses issued. The government had made no contract. The government was perfectly free to withdraw the license.

Mr. LOW: Why did my right hon. friend continue to issue licenses if that was the case? In 1921, he issued one to the Bridge River Power Company.

Mr. MEIGHEN: We were past that time. The minister says that we should not have issued licenses in 1921. Perhaps we should not. Certainly if we knew then what we know now, we would not have. As a matter of fact, this talk of the power of 1921 is all moonshine for it does not exist to-day or the license can be withdrawn on the merest notice, because the power itself has never been developed. All this talk about 1921 is all nonsense. It is only an attempt to draw a herring over the trail. The question is: What should be the policy of Canada as to the future? That, however, is the only question on which we can get no word from the government. Every dollar that goes into a power development, of course, is spent in Canada, no matter whether it is borrowed from another country or not. But for every dollar that is spent in a power development, six dollars in any case and usually more are spent in the building of industries that are to use that power. While 13 per cent goes in capital investment for the power development, 86 odd per cent goes in capital investment for the industrial structures that use the power. As regards employees, after the plants are down, it takes just 2.2 per

11 p.m. cent to run the power plant and 97.8 per cent to run the plant that is built on the power. Does the minister think he is standing true to Canada if he fails to assure the committee that we are not going now to launch further into a policy, enter a new course altogether that we did not even pursue in years gone by, a course which will have the effect of draining the very life blood of this country? With the export of power this country has tried, a further export in the light of the facts to-day is simply to mortgage our future and to commit a crime against ourselves and posterity. Will the government answer to-night that they do not purpose to depart from the form that has been used even in years when we did not know what we know to-day as respects the value of this asset? Will they give us that assurance? Will they give us as well the assurance that they are not going to export power under conditions which will result in the building of new industries over there or the utilization for new municipal purposes over there of the power that they license? If they do not, certainly there should be some definite expression of opinion on the part of parliament as to the course the government pursues.

Mr. CAHILL: When did the right hon. gentleman become a convert to the new policy which he proposes to-night, that no power should be exported?

Mr. MEIGHEN: Conversion with honest-minded people is a matter of growth. Suffice it to say that I am there, and I hope the hon. member for Pontiac gets there very soon.

Mr. CAHILL: That is about the answer I expected. But my right hon. friend is trying to badger the government into an immediate answer. He says: Why not give us an answer now?

Mr. MEIGHEN: I stated my position.

Mr. CAHILL: My right hon. friend gave us an answer offhand. Did he consult with his colleagues about this answer?

Mr. MEIGHEN: Not at all.

Mr. CAHILL: They have all independent action?

Mr. MEIGHEN: I think they are just as independent as my hon. friends opposite.

Mr. CAHILL: My right hon. friend would like to leave the impression that he is trying to speak for the whole Conservative party.

Mr. MEIGHEN: He can take that assurance.

Mr. CAHILL: He wants the government also to give him an answer and he is badgering them to do so to-night. Have they not got the same right to consider this as my hon. friend and allow it to develop in their minds?

Mr. MEIGHEN: I would be sorry to arrest any development in their minds.

Mr. CAHILL: My hon. friend is jumping at the conclusion that the government of Canada has the right to do everything in regard to this power. The water-powers of Canada are vested largely in the provincial governments.

Mr. MEIGHEN: If so, the government should have no difficulty in answering the questions.

Mr. CAHILL: My hon. friend jumps at conclusions—something which it is not good even for governments to do. He did so in 1915 or 1916, when he gave this lease for 100,000 horse-power, and he did it on several other occasions when he rushed this country into various commitments.

Mr. MEIGHEN: I did not give the lease.

Mr. CAHILL: My right hon. friend takes the ground that this matter is for parliament to decide, and he thinks we should give a decision to-night regardless of provincial rights. But that is no reason why the government should pay any attention to him whatever; indeed I think they will be displaying good judgment in ignoring his demand.

Mr. MEIGHEN: How will the provincial governments be affected by an affirmative answer by the government to both questions?

Mr. CAHILL: Are not the water-powers of the country largely vested in the provinces? If the provinces want to export hydro-electric power, is my right hon. friend ready to say that this parliament should interfere and prohibit such export? Of course, he might do that.

Mr. MEIGHEN: The question does not arise, because the provinces have spoken and say they do not want the power exported.

Mr. CAHILL: They are willing to export it.

Mr. MEIGHEN: They do not want this export.

Mr. CAHILL: My hon. friend said they had a request from the province asking to export power.

Mr. MEIGHEN: No, protesting against the export tax.

Mr. CAHILL: Is Ontario protesting against it?

Mr. MEIGHEN: Certainly.

Mr. CAHILL: On what grounds, that it is provincial property?

Mr. MEIGHEN: Not at all.

Mr. CAHILL It is on that ground that they question the right of the Dominion government to interfere. I am not saying that my right hon. friend's argument, so far as the future use of power in Canada is concerned, is not right. It is just possible that we should not allow the export of power. But I am saying he is making the wildest kind of guess in asserting that all the power of the Ottawa river and its tributaries will be developed in the next ten or twelve years, because to-day power can be had right here at less than $20 per horse-power.

Mr. MEIGHEN: I did not say that.

Mr. CAHILL: He said within ten or twelve years.

Mr. MEIGHEN: I said within transmission line area inside fifteen years.

Mr. CAHILL: Let us make it fifteen years.

Mr. MEIGHEN: That is right.

Mr. CAHILL: I will allow him to change his mind. There is lots of power to be developed along the Ottawa river within a distance of a hundred miles both ways from Ottawa. My right hon. friend thinks this is all going to be used within a few years. But to-day power is offered for less than $20 per horse-power right here in Ottawa, and he can come to my constituency and get it at $12 per horse-power.

Mr. JACOBS: Not political power I hope.

Mr. CAHILL: That is the great trouble with the Carillon development; it is political in his mind.

Mr. MEIGHEN: My hon. friend from George Etienne Cartier (Mr. Jacobs) refers to the Carillon power.

Mr. CAHILL: The province of Quebec maintains that they have the right to levy an export charge on power generated in their province, so they can control the situation without my right hon. friend's worrying about it. But he seems to have run into a mare's nest. He has found something, or imagines he has.

Mr. MEIGHEN: I think so.

Mr. CAHILL: And his friends in Montreal, who have practically complete control of all the other power that is now developed, are very much opposed to anything which might lead to opposition. My hon. friends from Marquette (Mr. Crerar) and from West York (Sir Henry Drayton) made much of the impossibility of correcting the present price by exporting power. It would be possible by having a clause inserted in the agreement that this 100,000 horse-power will have to be sold in Canada at a reasonable price. Would it not be more to the benefit of the surrounding country to have that power sold at a reasonable price than to have those now in control of the water-power of Quebec charge practically what they like in order to exclude competition?

Mr. CRERAR: Mr. Chairman, I would say to my hon. friend that if this power is to be developed and used in Canada, his argument applies. But the argument of my hon. friend from Laval-Two Mountains (Mr. Ethier) to-night was the very reverse; it was all in favour of exporting this power, and he suggested that only 100,000 horse-power would be retained in Canada. That is the argument I was dealing with.

Mr. CAHILL: It might regulate competition to a large extent if the surplus power not required now were exported. But my right hon. friend also seemed to make a point of the fact that this is a yearly lease. Now, I cannot see why a yearly lease would be as good as a ten, twenty or thirty year lease. It is taken for granted naturally that if the lease is from year to year it is practically a perpetual lease, and it is so regarded apparently by the people who are using it. That applies in my own province to timber limits, where a yearly lease is regarded as a perpetual lease. On the other hand, a lease for twenty, thirty or forty years would be terminable and the people themselves would have a chance to make other arrangements. I think a terminable lease for a period of years would be much safer than a yearly lease, because at the end of the term you would expect to get the power back.

The other night my hon. friend from West York (Sir Henry Drayton) made much of the steam plant in Toronto. He will find that there is a steam plant right here in Ottawa, and there is a surplus of power being developed and used here at the present time That steam plant is operated to take care of the peak load, which can be done much cheaper than by increasing the capacity of the hydro-electric plant. So a steam plant is not so harmful as my hon. friend tries to make it out to be. If the overhead is less than that for the development of the peak load by other means, why steam power is used, and those cities in the United States which are taking our power would probably find themselves in a few years in a position where they could use steam power in lieu of the power taken under these contracts. But, as I say, I am not favouring export nor am I opposing it; I have an open mind; but I did wonder how the leader of the opposition came to this conclusion that made him so insistent on a yes or no answer to-night, an immediate answer on what he himself says is an "all-important question." Unless they do that he is going to start something. And he did, and he finished it.

Mr. MEIGHEN: Will the member give us an estimate of how long it will be before he can come to a conclusion?

Mr. CAHILL: I have already concluded.

Mr. STEVENS: Mr. Chairman, I brought this question to the attention of the minister last Friday. Unfortunately I was out of the House to-day attending the aimless Ocean Rates committee and therefore have missed most of the discussion. But since last Friday I have carefully looked up the act under which the government is authorized to export this power, and also the regulations. I want to present to the government a viewpoint prompted by the remarks of the hon. member for Pontiac (Mr. Cahill). The legislation which empowers the government to act in regard to the export of power was passed in 1907. I think every hon. member will admit that the development of electrical energy in 1907 and

its general commercial use was in such a condition of partial experiment—I was going to say, infancy—that it is not a safe guide for our actions to-day. In other words, the problem of to-day is the outgrowth of a number of years; it is one of those things that develops gradually, perhaps unnoticed, until we get to a point where there is some sudden and large development in view, and then we come to a realization of the direction in which we are heading. That condition is before us now. Here is a huge proposition facing Canada—I am going to refer to it in a little more detail in a moment—and Canada, not only the government, is now determining what its course and its policy will be in a few years. I therefore suggest to the government that this whole busines with respect to further licenses for the export of power should be held in abeyance until the act under which we are at present working can be carefully surveyed and studied by parliament. I do not think it can be done this year, but the government should make a survey of the matter during the recess and next session we might revamp the whole act and bring it up to date. Let me review the act very briefly. It is very brief and general in its terms. It is 6 and 7 Edward VII, chapter 16, assented to on April 27, 1907. It has some very simple provisions. First, no person shall export power without a license. No person shall construct a power line for export without a license. The Governor in Council—this is an important provision—may grant licenses upon such conditions as he thinks fit, and such licenses shall be revocable upon such notice as the Governor in Council may deem reasonable. In other words, the whole thing is placed in the hands of the government and the Governor in Council. Then it provides that such licenses may be limited as to quantity; it does not say "shall" be limited. The government is empowered to-day under this act to grant a 120 year lease—issue a 120 year license—or a 99 year, or a 40 or a 20 year license. I cite 120 for a certain reason which probably is better understood by the government than by most members. Then, the Governor in Council may make regulations not inconsistent with the act, and so on. Now, there are certain regulations that are also not up to date; they were adopted the same year that the act was passed, as the date upon those I have in my hand indicates. I want to refer briefly to the regulations. One clause refers to the quantity proposed to be exported; it must be shown in the license. There is another clause, an important one, which provides that the license shall be revocable at the will of the Governor in Council if the licensee refuses or neglects to comply with any of the conditions from time to time imposed by the Governor in Council. At once you see that the revocability, to use the term of the license, depends on whether or not the licensee violates the conditions that are imposed upon him. In other words, if he observes the conditions his license is not a revocable license, so far as that particular provision is concerned. Then it says that if the electrical energy, gas or fluid is required for the use of Canadian producers in Canada, any such license shall be revocable upon such notice to the licensee by the Governor in Council as the Governor in Council deems reasonable in such cases. What does that mean? If there seems to be a need of power in Canada, then it is the wish or the will or the whim of the Governor in Council which must determine whether or not the license shall be cancelled. Under this regulation the matter is entirely in the hands of the government.

Mr. GRAHAM: Of course governments have to carry on between sessions of parliament, and there is no other power to cancel but the Governor in Council. It is possible that action could not await the meeting of parliament.

Mr. STEVENS: Quite true. I am not saying this is wholly wrong; I am simply pointing out the facts. Both the regulations and the act are of a character that require careful revision. The other clause I desire to refer to is this:

> Where a supply of electrical energy is provided in any part of Canada by the contractor for export and home consumption, then the price charged to any person or company in Canada by the contractor shall not exceed the price at which the electrical energy is sold by the contractor for export in like quantities under similar circumstances.

Now, I understand a contract was entered into by one of the power companies many years ago under which power is being exported to the United States at $12 per horsepower—I am subject to correction, but I think I am stating it correctly—whereas the same company is selling power in Canada at double or treble that amount. They could not sell in Canada at the figure to-day; it is an old contract. The Governor in Council is empowered to say to that company: You must sell your power in Canada at the same rate as you do for export. The government will not suggest for a minute that they could or would make any such suggestion to the Hydro—for I think it is a subsidiary of the Hydro which is affected in the case to which I refer. That clause in the regulations, there-

fore is of no value where the contract price is below what is a reasonable figure for the sale of the power.

Mr. GRAHAM: There is a distinction to be made between companies who entered into contracts before this law was passed and those who did so subsequently. The former were not supposed to presume that such a law would be passed, although of course theoretically they are subject to it if the government wished to make it applicable to them. But is it reasonable to suppose that any company that entered into a contract after the law was passed in 1907 would know that they would be subject to the terms of that statute at any time that the Governor in Council thought it necessary to enforce the regulation providing for a limit of one year.

Mr. STEVENS: That is quite true. I am mentioning this not by way of complaint or criticism of the government, but rather to lay before the committee the difficulties which undoubtedly have developed and to offer a warning against a continuance or increase of those difficulties. I want to say a very few words in regard to the present situation. I admit frankly that necessarily my information is not very definite, but I think it comes from a sufficiently high source to justify my offering it to the committee. There is in existence to-day, I am told, a very large and powerful syndicate of American and Canadian capitalists who are desirous of developing a considerable amount of electrical energy and a large number of hydro-electric powers in eastern Canada for the purpose of supplying power to the United States and eastern Canada. The idea is to develop it on lines that will ensure to certain sections of the United States an ample supply of power. Involved in this is the American interest in the international waterway so I am told. Now then we ought to be very careful how we proceed. I am also informed that the first unit they desire to develop is the Carillon power; that is to be the first in a number of units of power development. They are asking —this is in their programme, so my information goes—for 400,000 horse-power from the Carillon development, whereas it is well known, so I am also informed by competent engineers, that the maximum to be developed from the Carillon power will be 200,000 horse-power. If that is the case, they are seeking to tie the country to an export of 400,000 horse-power, the balance of which will have to come out of some other power plant in some other section. This, I believe, is fairly near to the mark. If it is near to the mark, then I say it behooves the government of Canada to pause before they become a party to it. The issuing of a permit or the entering into of an agreement which will obligate this country to the export of power for any given period of years to my mind is a very, very serious menace to the industrial future of this country, a most serious menace, and I really do not believe that the government or parliament or the people of Canada appreciate how serious it is. I do not think we can understand it until we have given it a great deal more study than we have at the present time. It is beginning to filter into our minds through the reports that are made by engineers. I admit that many of these reports are conflicting, but some of them are alarming, and some of them are exceeding significant in the evidence and the data they produce. Therefore I again put it to the government that I think it would be a fair statement for them to make to parliament that nothing will be done for one year, or until parliament meets again, until the whole question of power development and power exportation can be fully studied and the legislation which is now on the statute books be revised and brought up to a point where it will properly and adequately safeguard Canada's interests. I do ask the government to-night to stay its hand in regard to any agreement, and in regard to the issuing of any license or the entering into of any understanding with any company that will commit this country to participation in this great scheme which I have not the slightest doubt from the information I have is already well under way and in a stage of fairly advanced development.

Mr. MACKENZIE KING: I may say the government have already taken that position.

Mr. STEVENS: I am very glad to hear the Prime Minister say that. Do I understand that the government's position is that they will do nothing for a period of one year until parliament has had an opportunity of studying this problem, which I think is the proper course to pursue?

Mr. MACKENZIE KING: The government has stayed its hand for many months in this matter, and it does not intend to proceed with any haste whatever.

Mr. STEVENS: I want to say to the Prime Minister—and I am not captious at all, I welcome his observation—but I would welcome much more the assurance that nothing will be done along the line I have indicated, that is in committing this country to anything more than the bare annual license.

I add to that, Mr. Chairman, and I put this to the Prime Minister, it is what I stated the other evening, and what I have already repeated to-night, that within the period of the last twenty-five years, and the last twenty years in particular, there has grown up a condition which was not foreseen when this act was passed in 1907, under which the government permits licenses to be issued for the export of power. Therefore I say to the Prime Minister further than what I have already stated, I believe the time has come, and we are warned by present events, when we should refrain from issuing even any further licenses for export, and in saying that I am not condemning the government for the licenses that have been issued or criticizing the government of Sir Wilfrid Laurier or the Conservative government that followed in any sense; I am not criticizing any government, but I say that conditions are such that we are warranted as a parliament, and the government is the executive of parliament, in staying our hand absolutely from issuing any further export licenses.

Mr. MACKENZIE KING: I might say that since the government has been in office, at no time has a license been issued beyond a period of one year. That is the policy upon which the goverment has been proceeding, and that is the policy upon which it intends to proceed.

Item agreed to.

Mr. STEVENS: I would respectfully suggest that this has been a very full day both here, where we have been discussing a very important question, and in the Ocean Rates committee, where we had two sittings, and I think we could very well now rise and report progress.

Mr. MACKENZIE KING: I had an understanding with the right hon. leader of the opposition (Mr. Meighen) that he would allow us to call an item in the estimates of my hon. friend the Acting Minister of Finance.

Mr. STEVENS: Whatever understanding there was will certainly be carried out.

Finance—salaries, $341,840; contingencies, $40,000; Inspector General of Banks, salaries and contingencies, $50,000.

Mr. ROBB: There is a reduction of thirty-six employees, and a reduction in amount of $27,500.

Mr. STEVENS: I might say to the minister that we desire to discuss the Auditor General.

[Mr. Stevens.]

Mr. ROBB: I will allow that later, if we can pass this item.

Item agreed to.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 11.30 p.m.

Wednesday, May 20, 1925

The House met at three o'clock.

AGRICULTURE AND COLONIZATION COMMITTEE

Mr. W. F. KAY (Missisquoi) presented the fourth report of the select standing committee on Agriculture and Colonization, and moved concurrence in the report.

Sir HENRY DRAYTON: Will the hon. gentleman explain?

Mr. KAY: It is a recommendation that the committee be given leave to sit while the House is in session, and that the minutes of evidence may be printed if considered advisable.

Motion agreed to.

PRIVATE BILLS
FIRST READINGS

Bill No. 139, from the Senate, for the relief of Birdie Cohen Gould.—Mr. McMaster.

Bill No. 140, from the Senate, for the relief of Walter Roderick Wilson Robinson.—Mr. Elliott (Dundas).

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

PETERSEN CONTRACT—MR. LAFLEUR

Mr. DOUCET:

1. When did Mr. Lafleur first commence work on the Petersen contract?
2. When did his work cease?
3. When was Mr. Symington first retained in the place of Mr. Lafleur?
4. Why was Mr. Lafleur displaced by Mr. Symington?
5. What is Mr. Symington's per diem allowance when the committee is in session?
6. Is he allowed a per diem allowance when the committee is not in session?
7. If so, what is that allowance?
8. Is Mr. Symington still a partner of A. B. Hudson, Esq., K.C., M.P.?

Hon. Mr. LOW:

1. December 3, 1924.
2. December 11, 1924.
3. Was retained 3rd March, 1925, but not in place of Mr. Lafleur.
4. He was not displaced.

5, 6 and 7. $200 per diem for time engaged in inquiry.

8. Yes, but Mr. Symington before accepting this employment explained that he would have to get leave of absence from his firm, as they could not share in any fee from the Dominion government, and Mr. Hudson has no part or share in any fee to be paid to Mr. Symington by the Dominion government.

NETLEY CUT

Mr. BANCROFT:

1. When was the canal, known as Netley cut, constructed between the Red river and Netley lake?
2. For what purpose was it constructed?
3. What amount of money has been spent, to date, in an attempt to close up Netley cut?
4. What is the estimated cost of completing the work of closing up this canal?

Hon. Mr. KING (Kootenay):

1. October, 1913.

2. To permit of Netley lake being entered by small boats and flat-bottomed scows. The petitioners represented that there is considerable cordwood and hay on the shores of and adjacent to Netley lake, that settlers and others interested experienced difficulty in having taken out.

3. $5,599.53.

4. $3,500.

PUBLIC DEBT

Mr. TOBIN:

1. What was the net debt of Canada for the financial year ending March 31, 1920?
2. What was the increase or decrease of the debt during that year?
3. What was the net debt of Canada for the financial year ending March 31, 1921?
4. What was the increase or decrease of the debt during that year?
5. What was the net debt of Canada for the financial year ending March 31, 1922?
6. What was the increase or decrease of the debt during that year?
7. What was the net debt of Canada for the financial year ending March 31, 1923?
8. What was the increase or decrease of the debt during that year?
9. What was the net debt of Canada for the financial year ending March 31, 1924?
10. What was the increase or decrease of the debt during that year?
11. What was the net debt of Canada for the financial year ending March 31, 1925?
12. What was the increase or decrease of the debt for that year?

Hon. Mr. ROBB:

1. $2,248,868,623.79.
2. $674,337,591.35 increase.
3. $2,340,878,983.69.
4. $92,010,359.90 increase.
5. $2,422,135,801.73.
6. $81,256,818.04 increase.
7. $2,453,776,868.74.
8. $31,641,067.01 increase.
9. $2,417,783,274.88.
10. $35,993,593.86 decrease.
11. (Est.) $2,419,843,206.88.
12. (Est.) $2,059,000 increase.

NOMINATED PASSAGE SCHEME

Mr. CAMPBELL:

1. How many agricultural workers have been brought to Canada under the nominated passage plan from its inception to the present time?
2. What was the total cost to Canada of passage money for these immigrants?
3. How much of this is still outstanding?
4. How many juvenile immigrants have been brought to Canada during 1923, 1924 and up to date in 1925?
5. What was the total cost to Canada?

Hon. Mr. ROBB:

1. Number brought forward under nominated passage scheme to February 28th, 1925, 2,961.

2. Department's share of loans made and repayable, $118,707.35.

3. $92,626.75.

4. To February 28, 1925, 4,768.

5. $120,432.65.

ANTELOPE PARK

Mr. McTAGGART:

With reference to what is known as Antelope Park, situated in the vicinity of the town of Maple Creek, Saskatchewan:

1. How many acres of land are included in this park?
2. What is the location of the lands comprised in this park?
3. Under what department are they administered?
4. To whom are they leased and for what purpose?
5. What period does the existing lease cover?
6. Is the department contemplating issuing a lease for this park covering a period of twenty-one years?

Hon. Mr. STEWART (Argenteuil):

1. Seventeen sections, or approximately 10,880 acres.

2. The north half of section 31, township 9, range 25; sections 6, 7 and 18, township 10, range 25; the north halves of sections 33, 34, 35 and 36, township 9, range 26; and sections 1, 2, 3, 4, 9, 10, 11, 12, 13, 14, 15 and east half of section 16, township 10, range 26, all west of the third meridian.

3. Department of the Interior.

4. Not held under lease.

5. Answered by No. 4.

6. The department has under consideration an application for the use of this land for community grazing. No term of years has been decided on in this connection.

QUESTION PASSED AS ORDER FOR RETURN

PERMANENT FORCE—PAY AND ALLOWANCE

Mr. BLACK (Yukon):

1. During the year 1924, prior to August 1st, what rate per day was paid to the following officers, non-commissioned officers and men of the permanent force of Canada, namely, general of various ranks, colonel, lieutenant-colonel, major, captain, lieutenant, second lieutenant, regimental sergeant-major, company sergeant-major, sergeant, corporal and private?

2. What was the value in money of any per diem allowance paid or furnished each of said ranks in addition to pay during said period?

3. What rate of pay and rate of allowance has been paid each of said ranks since August 1, 1924?

BANKING AND COMMERCE COMMITTEE

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I notice that the committee on Banking and Commerce has not, through its chairman, presented a report to-day. I would like to inquire if there is any particular reason for it. And is it not a rule of the House that when the chairman of a committee is directed to present the committee's report to the House, that report shall be presented without delay? The committee sat a week ago last Tuesday but no report was presented; there was some slight clerical error which had to be corrected. So there was an excuse yesterday, it being alleged that the report was not quite right. To-day, however, I see no excuse, and I submit that the report should be presented promptly, in accordance with the instructions of the committee.

Hon. J. A. ROBB (Acting Minister of Finance): I fancy my hon. friend is right with regard to the rule. The chairman of the Banking and Commerce committee (Mr. Vien) is not in his seat. I shall direct his attention to my hon. friend's inquiry.

Mr. STEVENS: I submit, with all due deference, that the chairman could very easily deputize another member of the committee to present the report in his absence. The hon. gentleman is not in his seat, but I am anxious that the report shall be presented to the House. It contains a very important resolution on rural credits calling for action this session, which requires, Mr. Speaker, some attention on the part of the House.

Mr. SPEAKER: Two reports of that committee have to my knowledge been laid on the table. Does my hon. friend refer to the session as a whole—that the reports of the committee have not been tabled?

[Mr. C. A. Stewart.]

Mr. STEVENS: No, Mr. Speaker; I refer to a special instruction given yesterday to the chairman.

Mr. SPEAKER: I am informed that the report will be laid on the table to-day.

INQUIRIES FOR RETURNS

CUSTOMS OUTPORT AT DRUMHELLER

On the Orders of the Day:

Mr. E. J. GARLAND (Bow River): I wish to direct the attention of the Acting Minister of Customs and Excise to the fact that on April 27, a motion for the production of papers respecting the establishment of a customs outport at the town of Drumheller, Alberta, was passed by this House. I would ask him if he is prepared to lay these papers on the table, and if not, will he inquire as to the reason for the delay?

Hon. P. J. A. CARDIN (Acting Minister of Customs and Excise): The order to which the hon. gentleman refers was passed within the last few days, if I remember correctly. At all events, I shall be pleased to make inquiry and see that the report is brought down as soon as possible.

Mr. GARLAND (Bow River): The order was passed over three weeks ago—on the 27th of April.

Mr. CARDIN: I will see that it is brought down without delay.

YUKON GOVERNMENT OFFICIALS—INCOME TAX EXEMPTION

Hon. J. A. ROBB (Acting Minister of Finance): Yesterday on the orders of the day the hon. member for Yukon (Mr. Black) submitted a question to the government with regard to reports on the income tax as affecting the Yukon. The secretary of the department has communicated with Mr. Breadner, who expects to have the return ready early next week, if not sooner. It may be ready to-morrow.

PRIVILEGE—MR. WOODSWORTH

NEWSPAPER EDITORIAL ON MINISTERIAL STATEMENTS

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): I notice in the Ottawa Journal of this morning an editorial under the caption "The Word of a Minister," which questions the veracity of ministers of the crown with regard to certain statements made on the floor of this House. It seems to me that this is a matter which affects not only

the ministers themselves but throws discredit on the House, and that it ought not to be passed without challenge.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have not seen the editorial to which my hon. friend has made reference. I agree with him that any comment of the character he has mentioned is not fitting, but I think that he, along with the rest of us, will have to make some allowance for articles that appear in the Journal.

Mr. WOODSWORTH: I think perhaps I might be permitted to read the editorial. It is not a long one, and as I say, it reflects, I believe, upon the honour of this House.

Mr. SPEAKER: The hon. gentleman has stated his point, and the right hon. leader of the House, who is responsible to a certain degree for the honour of the House, has declared that he has not read the article, so if the hon. gentleman will give him time to read the article, perhaps then the questions might come up.

Mr. WOODSWORTH: May I not have the opportunity of reading the article, which, as I say, seems to reflect upon the honour of this House?

Some hon. MEMBERS: No.

Mr. SPEAKER: If it affects the honour of members of this House, certainly it is a question of privilege, but as the article has not been read by the right hon. leader of the House, and as the hon. member concluded his remarks by simply asking the right hon. leader of the House, to make a statement on the subject, I think he should give him an opportunity to at least read the editorial. I do not know the contents of the article, but if it is a question affecting the honour of the House, the hon. gentleman will have to read it first:

Mr. WOODSWORTH: The article reads as follows:

In the House of Commons, on Friday, May 15, Sir Henry Drayton put this question to the Minister of Trade and Commerce:

"Does the Minister of Trade and Commerce mean to say that the whole question of the export of Carillon power is a myth and that this government has not been requested to grant it?"

Mr. Low replied:

"I say to my honorable friend without any hesitation that we have had no application for a license to export Carillon power."

Sir Henry Drayton retorted that he couldn't take seriously the idea that nothing had been said to the government about the export of power. Mr. King, the Prime Minister, then said:

"No application whatever that I am aware of has been made to the government with respect to the export of power. I am making that statement fully conscious of its significance and meaning in every particular."

That was on Friday, May 15. Yet on Monday, May 18, the government, in compliance with an order of the House, tables a return including a tentative contract with the "Carillon Industrial Corporation of Ottawa," expressly dealing with the export of power from the proposed Carillon Falls dam. Under this contract, yet unsigned, the development company is given the right to export all power developed over 100,000 horsepower.

What is the country to make of such a thing? Here you have the Prime Minister and one of his ministers solemnly assuring the House that a certain thing, of which they were both bound to have knowledge, had not taken place; only to have the assurance followed by official documents which prove that they misled the House. What possible confidence can parliament or the country have in the ministry in the face of such an occurrence?

Nor is this the first offence of its kind. Only last week Mr. Lesueur asked the Minister of the Interior, Mr. Stewart, whether a report had not been made by an official of his department upon the oil fields of Sarnia. Mr. Stewart replied that the official in question had made no report upon the Sarnia oil fields, nor had he been asked to make one. That seemed conclusive enough; but, to the astonishment of the House, Mr. Lesueur arose, produced the report—a very lengthy one—and read it to the House.

Such things should not take place in parliament. Exaggerated statements, misleading statements, are deplorable enough when voiced by perspiring orators on the hustings, but it is a far more serious matter when ministers use parliament for seemingly deliberate misrepresentation. The anarchist could wish for nothing more likely to sap public confidence in parliamentary institutions.

Mr. MACKENZIE KING: That article seems to me comparatively mild compared to some that I have read in the Journal.

Hon. CHARLES STEWART (Minister of the Interior): I would just like to interject that the article is misleading, and so far as I am concerned it is untrue. Mr. LeSueur never read the report in question. The report was handed to Mr. LeSueur by myself. He read a letter from a gentleman in which he said that he knew a report of this character was in the department.

While I am on my feet, I would just like again to state although I made a full explanation when the matter was under discussion, that the report so far as I was concerned was considered a private report. The return that was brought down, which I must confess I did not examine, did make the statement that no report was in existence. All I wish to state is that while the incident is regrettable, and no one regrets it more than I do, I was in no way guilty of misleading the House. That was not the intention at all in any particular.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I think the minister has gone rather beyond the rule. I do not want

to imitate his example, but I must crave the privilege of saying that the report was read —of course, after production, upon demand— by the hon. member for West Lambton (Mr. LeSueur).

Mr. STEWART (Argenteuil): That is not what the paper says.

Mr. MEIGHEN: The newspaper report did not say how he got it; it said he read it, and it was not a letter. That is what I want mainly to say. It was a distinct report in the form of a memorandum, and no letter at all.

Mr. STEWART (Argenteuil): If my hon. friend will permit me, the hon. member for West Lambton did not read the report until it was brought down by me.

Mr. MEIGHEN: I know that. The article does not say he did.

Mr. STEWART (Argenteuil): It does say so.

Mr. MACKENZIE KING: Did my right hon. friend write the article?

Mr. MEIGHEN: Yes, I read it.

Mr. MACKENZIE KING: I said, did he write it?

Mr. MEIGHEN: Oh, write it? Had I written it, as respects at least the Interior department matter I would have made it stronger.

Mr. SPEAKER: I may remind the House that there is nothing before the Chair. I do not consider there is a question of privilege arising out of that editorial. If the hon. gentleman (Mr. Woodsworth) maintains his view that there is a question of privilege, I can only say that in my judgment it is simply a matter of appreciation of statements made in the House.

REPORT OF BANKING AND COMMERCE COMMITTEE

On the Orders of the Day:

Mr. THOMAS VIEN (Lotbiniere): I understand that a question was put before I came into the House in respect of the report of the Banking and Commerce committee that was to be presented to-day when the order for reports from standing committees was called. This report was handed to me only late, after lunch, by the clerk of the committee, and I have been unable to check the translation yet. But the report will be presented at the next sitting.

[Mr. Meighen.]

CORRECTION—Mr. ETHIER

On the Orders of the Day:

Mr. J. A. C. ETHIER (Laval-Two Mountains): I wish to make a correction in Hansard of yesterday. During my remarks in the Carillon debate I stated, in error, that an article I quoted was from the Financial Review of Montreal; I should have said that it was from the Financial Post of Toronto, as my right hon. friend the leader of the opposition (Mr. Meighen) suggested at the time.

Mr. MEIGHEN: I thought the hon. member was wrong, and I tried to set him right.

SUPPLY

IMMIGRATION AND COLONIZATION

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

Immigration and Colonization—salaries, $250,770; contingencies, $50,000.

Hon. J. A. ROBB (Minister of Immigration and Colonization): I understand there are a number of hon. gentlemen opposite, and on this side also, who desire to leave early. I want to say to them that we should propose only to put through one item—civil government. There is an increase of eight clerkships for 1925-26 over the number provided for 1924-25. This is due to the reorganization which has been effected by the Civil Service Commission in some of the branches of the department, but especially in the records division. This particular division has been carrying on for a number of years with an ever increasing amount of correspondence to be filed and registered. A large portion of the staff has been composed of temporary clerks only, although a good many of these positions have been considered by the department for a long time as being of a permanent nature. The Civil Service Commission were asked to re-organize this division on a permanent basis, which they did, in order to promote the efficiency so much desired by the department. While there is an increase of eight in the permanent positions, the whole staff of permanent and temporary clerkships combined in the department at Ottawa has been decreased by six, and the amount required to cover the combined salaries has also been decreased by $15,405 as compared with the sum provided for the fiscal year 1924-25.

Mr. MEIGHEN: The increase in the superannuation vote—I do not know what title it comes under but I call it the Calder Act moneys—would make this year's estimate very considerably in excess of last year, would it not?

Mr. ROBB: While I would not like to say that, I imagine that generally speaking my right hon. friend is correct—that a great number of the employees in the service have taken advantage of the Calder Act, more particularly during the last—

Mr. MEIGHEN: Year.

Mr. ROBB: —period when they knew the Calder Act was going to expire.

Mr. MEIGHEN: Those retired by the government under the Calder Act, would, in a staff of about seventy-eight, certainly involve an annual payment of anywhere from $6,000 to $10,000, would they not?

Mr. ROBB: I have not the figures here. I do recall that the Treasury board incurred the displeasure of a good many civil servants by not allowing some people to take advantage of the Calder Act because it was thought they did not come within the age limit.

Mr. MANION: I notice at the foot of the page giving the details of civil government for this department—and I have observed it in the case of the votes for other departments—the statement:

Less saving estimated to be effected through superannuation and re-organization.

While there is a direct saving, I imagine, for the department, the allowance of the man who is superannuated is still a liability, but it is paid out of another fund—out of consolidated revenue, I suppose, or some other fund. Is that correct?

Mr. ROBB: It is paid out of another fund.

Mr. MANION: It is not paid by the department, but comes from another fund? So that, in connection with the point made by my right hon. leader, although some men have been superannuated they still get a superannuation allowance or salary. Consequently in reality there is no saving at all to the government or to the people as a whole? In fact there is an increase very often, and there is in most cases. Take, for example, the case of a man who is in charge, we will say of a branch at a salary of $4,000 a year. He takes his superannuation under the Calder Act. We will say he is getting $3,000—I am not quoting exact figures, but that will do as an illustration. Somebody else is appointed to take his position who perhaps, will get $4,000 or very nearly that amount; perhaps he will not get the full amount, he starts at a lower salary, say $3,500 or $3,000. But the two amounts together—the superannuation salary and the salary of the new man—would increase the expenditure of the government. Is not that true?

Mr. ROBB: Well. I will go this far with my hon. friend and say that the Calder Act, in my judgment, has not tended towards economy in the public service.

Mr. MANION: All right. Then, I want to ask, why put at the bottom of the details of civil government—perhaps it is unintentional but it is certainly misleading—such a statement when there is no saving at all? The same thing is done in the case of other departments and it may have been the practice in the past. I do not know anything about that; but it does not seem to me to be a reasonable thing to put such a statement at the bottom of the estimates when in reality, or in all probability, there has been an increase in the expenditure, and not any saving at all.

Mr. ROBB: We are dealing now with the Department of Immigration and Colonization, and each minister explains the transactions of his department when his estimates come before the committee. It is correct that we have effected an economy in the service, but I admit again that in my judgment the Calder Act has not tended towards economy in the public service. Many people have taken advantage of the Calder Act that I believe were quite able to carry on for a while longer. But the Calder Act was there, although it is not our child, and I suppose it was only human for people to take advantage of it.

Mr. GARLAND (Bow River): May I ask the minister if he will tell the committee just what he means by "an estimated saving of $8,000?" Who estimated it and on what basis?

Mr. ROBB: Well, it is an estimate by the accountant. I direct the attention of the committee to the fact—and I think every hon. gentleman will acknowledge it, particularly ex-ministers who have had to do with the preparing of the estimates and administering public affairs—that under our system when we are compelled to provide for the payment of employees during the year, with the possibility that some of them may drop out, and taking this into consideration as well as the changes that occur, often-times the estimate is more than is really required during the year. But we must make provision for eventualities; otherwise we could not make the necessary payments. For example, take the estimates of 1923-24. The amount voted was $274,845, but the actual amount expended was $233,013.47. The following year, 1924-25, the

amount voted to provide for the salaries as laid down by the regulations—and we must follow them—was $251,235, but the amount actually expended was $221,465.91 or about $30,000 less.

Mr. MEIGHEN: As a matter of fact the scheme the government has adopted this year of putting so much saving at the end of the details of civil government for each of the departments is so much eye-wash; the minister knows it right well. Every year since Canada has been a country there would be a certain amount saved from the estimates of any department for salaries by deaths, by resignations, by the operation of the Superannuation Act when we had it, and so on. But we always had to put the full—

Mr. ROBB: But my right hon. friend has just said that the Superannuation Act does not result in a saving.

Mr. MEIGHEN: No, I did not say that at all; that is what the minister said. The minister said the Calder Act had not resulted in a saving, and I will come to that in a minute. There has always been an amount that would necessarily be saved in the estimate of any department, but we had to put in the amount of each salary in order that the salary might be paid if necessary.

Mr. ROBB: That is right.

Mr. MEIGHEN: Now, in order to make the estimate appear less the government has adopted an ingenious device by reducing at the beginning by a certain aggregate which they know will be saved—which always has been saved in every year in the past, indeed it may be a great deal more—making the total estimates that much less, and making it appear like a saving, whereas it is not a particle more saving than has always been the case. It is only a device to improve appearances, something at which this government has managed to develop a wonderful expertness. It is eye-wash and nothing else.

Mr. JACOBS: My right hon. friend will admit it is ingenious.

Mr. MEIGHEN: I will admit they are ingenious in misleading the public. If that is a credit, I am ready to give them credit for it, with a full heart.

Mr. JACOBS: That is, they are ingenious.

Mr. MEIGHEN: Yes. The minister knows the number of retirements under the Calder Act, and knows that if he takes what is to be paid these men this year the substantial cost to the country is more than last year. He cannot help it. On his estimates he cannot help but admit that it is considerably more. And this in the face of the reduced immigration of last year—he only received 111,000, against 148,000 the year before, and as against 148,000 of the last year of office of the late government. But what I want to commiserate with the minister on is the condition of imprisonment he suffers because of the Calder Act. "There is the act," he says, "it is not our child; we are the unfortunate heirs, and because of that act larger expense is heaped upon the government." I would like to give the minister credit, and consequently I will say that he does not believe that at all. He does not need to retire one man under the Calder Act unless he wants to—not one man. He can ignore that act—throw it in the waste paper basket. If the Calder Act is an expense to this country it is the fault of the government. They have not the courage to stand up and say no to civil servants who want to retire.

Mr. ROBB: But we have said no.

Mr. MEIGHEN: He has sometimes said no; but as a matter of expense to the country, it is an admission on the part of the minister of the crown—

Mr. VIEN: They did more than say no. They repealed the act and it is out of existence.

Mr. MEIGHEN: No, the act repealed itself. It was only in existence for a certain period.

Mr. VIEN: It was not extended.

Mr. MEIGHEN: But in the period when it lived, it lived because of the act of this government; they themselves extended it.

Mr. VIEN: They said more than no.

Mr. MEIGHEN: They did not extend it last year, but they extended it the year before, and if they retired anybody that added expense to the country by the retirement, the fault is their own, for no man's application can go through unless it receives the imprimatur of the government by order in council. So what is the use of the minister saying, "The fact that we are under more expense is due to the Calder Act"? He knows it is due to himself, if such is the fact at all, because he is the Chairman of the Treasury Board. I want the minister to give us the actual retirements in the year 1924-25 under the Calder Act in the Department of Immigration.

Mr. ROBB: I have here a summary of retirements under the Public Service Retirement Act. They are not all under the Calder Act, as hon. gentlemen know. Some of these are not under the Calder Act, and some were superannuated under the regular act. The total number is thirty-nine. I think I checked them over a moment ago, and I desire to direct the attention of my right hon. friend to the ages of some of these people. The ages are as follows: 74, 67, 65, 68, 65, 71, 65, 67, 81, 83, 68, 66, 67, 63, 67. I would not admit a man should retire at the last-named age unless his usefulness is gone.

Mr. MEIGHEN: Why did the minister consent to allowing him to go?

Mr. ROBB: Here are some of the reasons: Lack of employment, ill-health, advanced age, failing health, abolition of position. In the last case the man was eighty.

Mr. MEIGHEN: If it was for lack of employment the man was let out, I hope the minister did not put another one in.

Mr. ROBB: No.

Mr. MEIGHEN: In that case there would not be an increase but a decrease.

Mr. ROBB: This is the general service.

Mr. MEIGHEN: In the case where the vacancy was not filled because of lack of employment there would be a decrease?

Mr. ROBB: Yes.

Mr. MEIGHEN: If the government let out any of these employees on account of failing health and old age, when they should not have been let out, that is the fault of the government. Does the minister think he was quite fair to the House in complaining of an act that is entirely under his control and an act which his own government renewed?

Mr. STEWART (Argenteuil): I do not rise to say anything about the Calder Act; it is out of existence now. But I think the provision of the Superannuation Act will now pretty nearly take care of the cost of superannuation—the contributions of the civil servants to that superannuation will take care of it. It is true a very large number of people who are advanced in age took advantage of the Calder Act and asked for retirement before the expiring of the act. That was bound to happen. But, if my right hon. friend will examine the records, he will find that many of these cases were examined by a doctor suggested by the Treasury Board, and were certified to be ill or physically incapacitated to carry on the work. What I object to is the exception taken by my hon. friend to the reduction. When the estimates have been before the House this year no one has criticized the expenditures more vigorously than my hon. friend sitting opposite, and he has asked repeatedly for the expenditures of previous years; and then if the estimate appears to be larger than the actual expenditure the criticism offered was that we were asking for more than we expended. In order to meet that, to show clearly what the estimated expenditure in my department would be, this system was adopted this year at my request, and I want to take responsibility for it. I asked them to do it in my department. Why should we ask for more money than we know we are going to expend? Why, and inflate the estimates? If there is anything misleading about it, the misleading part of it has been done in years gone by. It was in order to reduce the expenditure—my hon. friend is quite correct—and still have sufficient funds to carry on in the department. That is the reason it appears this year. It was discussed when the estimates of the Department of the Interior were up, and I again reiterate the statement made upon that occasion.

Mr. MEIGHEN: The minister has successfully turned the subject to the phase in respect of which the government is the least guilty. That I admit.

Mr. STEWART (Argenteuil): My hon. friend will admit there is nothing wrong about it.

Mr. MEIGHEN: I did not say it was wrong, but by comparison with other years it was misleading. That is all.

Mr. STEWART (Argenteuil): I take exception to that. A clear explanation was made.

Mr. MEIGHEN: I know.

Mr. STEWART (Argenteuil): And I do not propose in the future to allow statements of that kind to go unchallenged. It is not misleading. The explanation given the other night was identical with the explanation given to-day.

Mr. MEIGHEN: I did not say it was not.

Mr. STEWART (Argenteuil): But the right hon. member claims it was misleading. I cannot understand how it would be.

Mr. MEIGHEN: By comparison with other years. You can see very plainly it may be

just as good a system, but when we take the estimates of this year and look at the total, and say that the government proposes to spend this year so much less than last year, it is not true. It merely means that you have adopted a different system, not that there is to be less expenditure. Thus, in the comparison, it is misleading to the public. I do not say that if we had started this system from the very beginning that it would not be just as good, but as to this $8,000,000 taken off here, and the $25,000,000 taken off another place, that $8,000,000 and $25,000,000 would have been off last year or the year before, or the year before that, if this system had been adopted, for the reason that always less is expended than the amount estimated for salaries and retirements and the like. There always will be. All that is done is to lump this estimate together, and so make it appear that the government are economizing. That is all that I pointed out and that is absolutely true. The minister says that when they asked for more than they spent last year, they were severely criticized. If they were, from the mere fact that the amount asked for was more than was spent the previous year, that is an unjust criticism. I never heard it, and the minister certainly never heard me make that criticism. I have been in departments long enough to know that you have to estimate for more than you expect to spend. You cannot estimate for the exact amount. It might be that there is criticism because the margin is too large. The minister has to allow a certain margin even in estimates of salaries.

Mr. GARLAND (Bow River): I am a little puzzled to see just where the saving comes in. The amount voted last year was $251,235 and the amount expended, $221,465. The item this year is $258,770. There is an increase in the total estimate and an increase in the number of employees from 168 to 176. It then becomes possible, under the new system that is inaugurated, to make an estimate of the amount—$8,000—that will not be required for this year. This is entered underneath the $258,770 and deducted from it, showing $250,770. But if we deduct the amount unexpended last year from the total amount voted last year, we find there is an actual increase in this item.

Mr. ROBB: My hon. friend is possibly quite right, but when we come down next year with the amount actually spent, we may have spent less. This is an estimate of what we expect to spend.

[Mr. Meighen.]

Mr. GARLAND (Bow River): The minister hopes to spend less?

Mr. ROBB: We refer our record of last year to my hon. friend to show our method of conducting the department.

Mr. GARLAND (Bow River): I know that, but I also know that a goodly number of old staunch Liberals have been put in the service, such as our friend Mr. McColl, who was taken out of the Immigration department and put into the Vancouver Harbour Commission. I do not see for the life of me how the Minister of Immigration can claim very much saving over the whole service when all that is done is to take one piece of dead timber from his department and put it somewhere else for a time.

Mr. BOYS: When was this new system first adopted? Glancing at the estimates of last year, I find that it was adopted last year. Glancing at the estimates of the year before, I see no similar item to the one under discussion which reads:

Less saving estimated to be effected through superannuation and reorganization.

There are similar items in last year's estimates in different departments, but I can find nothing for the year before that.

Mr. ROBB: I cannot answer my hon. friend's question. I am speaking only of the estimates that I have before me. I do not recall last year's estimates.

Mr. BOYS: There is not the slightest doubt there are such items in last year's estimates. Glancing at the estimates for the year before, I do not find any such items, but I will not say that there are not any. I notice, going through the estimates of this year, not only have we the one in question, but we have in the Department of Mines an item of $8,750, in the Post Office Department, one item of $35,000 and in the Customs department an item of $11,425 and in the Interior department an item of $25,000. That, as the minister has said, was under discussion the other night. There is another item in the Post Office Department of $250,000. The items that I have been able to pick out in a few minutes total $338,175, a pretty big item. I do not know, when it is called an estimate and when, as it says, it is a sum of money that is to be deducted because of some superannuation or reorganization, that the minister would have a right to take credit for any such deduction at all. If it is known that there are going to be superannuations, that certain clerks will not be needed, the

salaries of those clerks should not be provided for in the estimates. If, on the other hand, it is not known and it is proper to provide for the salaries of those clerks, it is surely not proper to provide for a deduction in case they are not needed, and the minister should not take credit for that deduction. The biggest item is in the Post Office Department where in one item the estimates are reduced by $250,000 by that method. This seems to be something quite new, new last year at all events. The committee should have some explanation why this change has taken place in the method of arriving at the total amount required for carrying on the business of the country.

Mr. ROBB: I recall now that when the estimates came over from the accountant, I sent for the officials and after we had gone carefully through these estimates, this amount of $8,000 was deducted. I blue-pencilled some of the items that are in there. I take the responsibility for making that deduction of $8,000 at that time. We knew we would not require that amount of money.

Mr. BOYS: If it was known that the clerks who would receive that sum of money would not be in the service, the item appearing in the estimates providing for them in the first instance should not be there at all. I cannot see how the minister can come to parliament and ask for a certain sum of money, $8,000, which, let us assume, is for four or five clerks, and at the same time ask the House not to provide that money because it is not going to be needed.

Mr. ROBB: May I again direct the attention of my hon. friend to this? This came along to me a couple of months after we had checked through the account. We knew then that the amount would not be required, and instead of asking as we intended originally to ask for $258,770, I cut $8,000 off and we are asking only for $250,770.

Mr. BOYS: Am I to understand that if the minister had known as much when the list of clerks was first made up as he knew at the time he refers to, he would not have asked for the money required for some of these clerks? Is that a correct statement?

Mr. ROBB: I think that is fair.

Mr. BOYS: I do not really know if this is the proper place for me to put this question, but the minister, as Acting Minister of Finance, can probably answer it. Would the same reason apply to the very large item of a quarter of a million of dollars in connection with the Post Office? I suppose that must be on the same basis.

Mr. ROBB: I cannot answer that.

Mr. MANION: I noticed just while the hon. member was speaking, an item in the Interior department of $25,000 and an item of $8,750 in the Department of Mines, worded in practically the same way.

Mr. ROBB: The Minister of the Interior has just made an explanation regarding that.

Mr. MANION: I understand that, but the Minister of Immigration says that he did not realize that until a couple of months afterwards. It was a sort of mistake that was made.

Mr. ROBB: No. These estimates come to the Treasury board. The Treasury board spent about two months going through the estimates, chopping them down here and there, and I am bound to admit frankly that we ran up against some of the officials in the departments. The result of the two months' work of the board, who sometimes burned the midnight oil, has been these reductions which we are now effecting in the estimates.

Mr. BOYS: Were the estimates printed at that time?

Mr. ROBB: The proofs were.

Mr. BOYS: I can quite understand that; but one would have thought that when the board was going through the list if they found that this and that clerk would not be needed, instead of showing this reduction at the end they would simply have struck their pen through the names of these officials and eliminated them from the total.

Mr. ROBB: In the administration of the department, with the Civil Service Commission controlling the classifications, the government is powerless to do that. Some of these clerks are carried for one, two or three months. But the deputies have instructions to get the force down as rapidly as possible without affecting the efficiency of the departments. It is because of the classifications adopted by the commission that we are compelled to come before parliament; and the leader of the opposition (Mr. Meighen) has admitted that we must ask for more than we really intend to spend.

Mr. GOOD: I would ask the minister to give us an assurance that if this item is passed to-day it will not debar members who have had to leave from discussing the general immigration policy of the government.

Mr. ROBB: That is conceded at once. If we put this item through I have no objection —I speak only for myself of course and not for the Chairman—to the fullest criticism of the department.

The CHAIRMAN: I understand the minister to say that if this vote is carried the general policy of the department may be debated on another item?

Mr. ROBB: Yes.

Mr. JACOBS: On another day?

Mr. ROBB: Yes.

Mr. BOYS: I think that the explanation the minister has given could have been given with equal force in 1924 and in 1923; but the method now followed was not adopted then.

Mr. ROBB: "Every day in every way," you know, "we are getting better and better."

Mr. BOYS: I do not think so. If the minister says that the same method was followed at that time, and if he says so positively, I shall take his word for it. I have not had the time to make any close comparison but I think the minister will fail to find in the estimates of 1924, an item such as this. I have looked through many of the estimates of that year and I do not find one item similar to the present one. I do find items in 1925, and it does appear to me from a hurried glance through the figures here at my desk that the change became effective in connection with the estimates for 1925, but was not in force in 1924.

4 p.m.

Mr. MACKENZIE KING: I have not the estimates before me and I am not sure that I have in mind the particular item to which my hon. friend is referring, I thought however that he was discussing a practice. I know that in going over the estimates it was a surprise to all of us to find that it was necessary to ask for more money than would actually be required, but this was due to an arrangement with the Civil Service Commission whereby no man can be put into a different class unless the full amount is voted for that class in advance of the time at which he becomes entitled to enter it. Assume that an official will be made a first-class clerk on January 1: we shall have to appropriate the amount that is required for that clerk just as though he were going in at the beginning of the new fiscal year, although we may not use the whole appropriation. The clerk cannot be promoted to the higher class unless parliament has given the full appropriation in the first instance. The result therefore is that the estimates really call for more in the way of an assumed expenditure than will be actually required as promotions are made.

[Mr. Good.]

Mr. BOYS: I quite agree with the Prime Minister; but I should like to point out that there is nothing new in that. If you take the estimates of 1921, 1922, 1923 and 1924, you will find appropriations that are not required in full. But you will not find in those estimates the method which we see now put into effect. I do not know whether the Prime Minister heard the list I read before, and which I do not suggest is complete, but I would draw his attention to one large item which I think is worthy of our consideration —the item we are discussing just now is only $8,000, it is true; but it is the change of method that I am dealing with, and I want to find out when that change took place. At page 64 of the estimates the Prime Minister will see an item of $250,000 for the Post Office Department and another item for the same department, at page 95, of $35,000, making a total of $285,000 treated in this particular way. So far as I know, the method now adopted in relation to these items was not pursued prior to the estimates of 1925, and I presume that there was a time when the government must have considered the advisability of adopting this new system. What I want to find out is when and why that change was thought necessary. The Prime Minister has given me a partial explanation, but my answer to him is that this explanation would have been just as effective in 1924 or 1923 as it is this year. I do not regard it as adequate.

Mr. MACKENZIE KING: If the Postmaster General (Mr. Murphy) were here, he could fully explain the point raised by my hon. friend. I understand that the classification of the clerks was completed in the Post Office and Customs departments before it was completed in the other departments, and I recall in a general way that in the consideration of the estimates the Postmaster General explained that, in virtue of that classification, he had to put in a certain lump sum to meet the situation as clerks filled new positions for which they had been classified. In the case of the other departments the work of re-classification is still going on and extra provision is being made to meet the changes that may arise in consequence.

Mr. BOYS: Can anyone say for certain that this method of book-keeping is one that should be relied upon? Let me read the item that appears on page 64:

Less—estimated decrease on account of reductions which will result from changes in staff personnel throughout the year, $250,000.

Now this is only a suggestion at most; it may or may not be carried out. Yet, so far as the estimates now presented are concerned, there is an affirmed deduction of that sum of money from the total which is asked. The total asked is $15,708,584.40, and from that is deducted this estimated or problematical item of $250,000, so that the amount finally asked is $15,458,584.40. I repeat—and I will not say it again—that this might have been done just as well in 1924 or in 1923 as now. I do not say that there is anything improper about it; it may be all right. I want however to ascertain why the government has resorted to this change; when the question was discussed; and when it was determined to put the new method into practice.

Mr. MACKENZIE KING: I do not think there has been any desire to make a change in any essential. What has happened this year that did not take place in previous years is that we have abandoned the bonus. We did ask the Civil Service Commission to arrange for a re-classification of all clerks in the service and we are now voting estimates which will apply to the clerks as re-classified. That never took place in previous years, when under the old classification we voted a bonus to supplement the salaries. This year the salaries under the re-classification will have to be met out of the estimates as we are now voting them. That I think is the explanation.

Mr. BOYS: I understand the Prime Minister to say, then, that this applies only to this year, for the reason he has stated.

Mr. MACKENZIE KING: Yes, I think so.

Mr. BOYS: It did not apply last year?

Mr. MACKENZIE KING: No.

Mr. BOYS: Well, I can show the Prime Minister items in the estimates of last year similar to these.

Mr. MACKENZIE KING: I am speaking now in regard to a very wide range of classifications. Every year some classifications are made, clerks being promoted from one grade to another, and there must necessarily be provision of a certain amount to meet the adjustments. This year the whole service is being re-classified having regard to something that was not considered previously, namely, getting rid of the bonus and making it a permanent classification. A number of the subdivisions are being cut out and the service is being reduced to three main classes or grades, and a number of changes will have to be made under that re-classification. For that reason I think a larger margin in the main has to be provided in this year's estimates.

Mr. BOYS: I can quite appreciate that that extensive reclassification may have the effect of increasing an item of this kind. But items of this kind do not appear in the estimates of previous years. I would like to find out when it was decided to make this change, because there certainly is a change; and I would like to know also why it was made.

Mr. MANION: Is the minister prepared to give us a statement of the general conditions as to immigration—how many immigrants we received, what classes they comprised, where they went, and so on?

Mr. ROBB: This is the civil government estimate. We shall not proceed any further to-day, because many hon. gentlemen on both sides wish to leave. I shall be prepared to go into that matter fully when we come to the other estimates.

Mr. ARTHURS: I may not be here when the other items come up, and I am here to-day. Some time ago I had occasion to make certain remarks with regard to immigration and emigration, and the figures I gave were called in question. I hold in my hand to-day—it is unfortunate I did not have it then—a report of the Commissioner General of Immigration for the United States, issued by the United States Department of Labor, and the figures given are most startling; they go very much further than those given either by myself or by other hon. members on this side. The report indicates the large number who are leaving Canada for the United States and the very small number who are returning. It gives comparisons for a number of years back, indicating the states the men go to and the states from which they come; so that I presume there can be no question as to the accuracy of the figures. I would like to confirm the figures I placed on Hansard, given under the authority at that time of Mr. MacNeil of the Great War Veterans' Association. We all know Mr. MacNeil to be modest on every occasion, but on this occasion he was more than modest; the figures he gave as to those returning to Canada were very much greater than those shown by the American statistics. I do not intend to labour the argument, but I want to give a few of these

figures. The total number admitted to the United States from Canada from 1899 to 1910 inclusive was 179,226. The figures for the different years are as follows:

1899	1,322
1900	396
1901	540
1902	636
1903	1,058
1904	2,837
1905	2,168
1906	5,063
1907	19,918
1908	38,510
1909	51,941
1910	56,555
1911	56,830
1912	55,990
1913	73,802
1914	86,139
1915	82,215
1916	101,551
1917	105,399

In 1915, 1916 and 1917 a great many of our population went over to the United States for a different reason. We were at war; the United States were not.

Mr. ROBB: Yes, and during that same period a great many Canadians came back to Canada for another reason.

Mr. ARTHURS: I will give the number of Canadians returning, if the minister cares to have them. It will be noted that when the Americans went into the war there was an immediate drop. I gave the figure for 1917 as 105,399. The figure for 1918, when the Americans entered the war, dropped to 32,-452. In 1919 it was 57,782 and in 1920, 90,-025, a total for the ten years of 742,189. Now, I will proceed with the last four years:

1921	72,317
1922	46,810
1923	117,011
1924	200,690

The total for the last four years is 436,-828. Now, we will turn to the other side of it: "Emigrant aliens departed from the United States, 1908 to 1924, by countries." We will take the figures for the period from 1908 to 1920, "British North America:"

1908	2,629
1909	30,478
1910	34,194
1911	49,373
1912	33,506
1913	46,981
1914	31,818
1915	23,225
1916	15,712
1917	18,994
1918	27,170

These figures bear out to a greater or less extent the remark by the Acting Minister of Finance, because the numbers did increase very slightly during 1918, but immediately afterwards they dropped again.

1919	10,726
1920	7,668

A total for the period from 1908 to 1920, thirteen years, of 265,173. Now, we will take the following years—and this is the most important part of it, because it is in this respect that the figures I gave the other day are questioned. I quote:

1921	5,456

A decided drop.

1922	4,480
1923	2,775
1924	2,601

Or a total for the four years of 15,312, contrasted with emigration to the United States to the extent of 436,000.

Mr. GARLAND (Bow River): In those figures is any estimate made of what is known as bootleg immigration?

Mr. ARTHURS: I am not in the bootlegging business so I am not an authority on that point.

Mr. GARLAND (Bow River): I have no doubt the hon. gentleman has heard that the immigration authorities in the United States claim that you should multiply the official figures by four, to get any real appreciation of the actual movement.

Mr. ARTHURS: I am simply giving to the Minister of Labour (Mr. Murdock) whom I now see in his seat, the official figures given by the United States Department of Labor, issued last year by the Commissioner General of Immigration. I now hold that report, which is the official record of the United States, in my hand, and the figures I have given are open to any member of the House.

Mr. MURDOCK: Has the hon. member got the figures in that book of the number of Canadians who returned within six months and secured their $8 head tax?

Mr. ARTHURS: I have here the number of immigrants who returned, and who are classified as non-immigrants. They amounted in one year, the greatest year, to 25,000. Any member of the House can get this book in the library and he will find that the American authorities classify those non-immigrants, as they call them, by themselves, that is those who go in there, deposit $8, and secure the deposit back when they return to Canada. These non-immigrants are people, for instance, who simply go there for the purpose of visiting someone.

Mr. MURDOCK: I beg my hon. friend's pardon. I have just sent out for a file over the signature of the officials of the United States Department of Labor, which I think my hon. friend will not dispute, indicating—

Mr. ARTHURS: Does my hon. friend dispute this record, which is the official record of the Department of Labor in the United States?

Mr. MURDOCK: I say that that record does not show the number of Canadians who went to the United States and within six months came back and got their $8 head tax refunded.

Mr. ARTHURS: It does show that 25,000 returned in the greatest year, and if the minister will give me a little time I will get those figures.

Mr. MURDOCK: My hon. friend, I am quite sure, thinks that what he states is correct, but as a matter of fact he is mistaken. I have the correspondence from the United States Labor department to prove it to my hon. friend, if proof he needs. The figures were placed on Hansard on 14th April last, showing that over 43,000 Canadians had returned from the United States in 1923 and 1924 and had received a refund of the head tax they had paid.

Mr. ARTHURS: In how many years?

Mr. MURDOCK: In each of those two years. If there is any doubt, I have the official communications over the signatures of officers of the United States Labor department. I have here also a report on the number of Canadians returning from the United States after an absence of six months or longer, during the twelve months ending March 31, 1925.

Mr. CLARK: Before the minister goes further: does he suggest that they all received the head tax back?

Mr. MURDOCK: If my hon. friend would only possess his soul in patience, he would not have to ask unnecessary questions.

Mr. CLARK: You said before that they had.

Mr. MURDOCK: Those I have just referred to did not receive a refund of the head tax.

Mr. CLARK: You said a few minutes ago that they did.

Mr. MURDOCK: I said no such thing. Here is a statement of the number of Canadians who went to the United States and returned within six months, each of whom received a refund of the $8 head tax:

During	1923	1924
January	2,839	3,614
February	2,927	2,839
March	3,473	5,503
April	3,749	5,813
May	4,418	5,888
June	4,384	5,030
July	3,397	3,803
August	3,376	3,272
September	2,626	2,218
October	3,150	1,610
November	3,843	1,693
December	5,250	2,033
Total	43,432	43,316

Now, here is the manner in which I got those figures. On February 9, the date on which the leader of the opposition (Mr. Meighen) was indicating to the House how terrible was the number of Canadians who were going to the United States and remaining there, I wired to the Secretary of Labor at Washington—

Mr. CLARK: Does the minister not think it is terrible?

Mr. MURDOCK: It is not as bad, under all the circumstances, as it might be. It is altogether a surprise to me that more Canadians are not fooled by the paeans of distress that are constantly emanating from the other side of the House. On February 9th, I sent the following wire:

J. J. DAVIS,
Secretary of Labor,
Washington, D.C.

Can you kindly send me statement showing for each month last two years the number of refunds of head tax payments made to returning Canadians? Also please send me result by months past two years of emigration to United States from Canada, Mexico and Newfoundland.

In reply I received a letter under date of February 13, 1925, as follows:

I have the honour to acknowledge receipt of your telegram of February 10, 1925, requesting that a statement be sent you showing the number of refunds of head tax payments made to returning Canadians each month during the past two years and the number of aliens who have come to the United States from Canada, Mexico and Newfoundland within the same period.

I am pleased to enclose statement showing the number of immigrant aliens admitted to the United States from Canada, Newfoundland, and Mexico, during the two years ended Decembr 31, 1924, by months, and will forward the other information requested immediately upon receipt of same from our various border districts.

I am,
Sincerely yours,
ROBE CARL WHITE,
Second Assistant Secretary.

Accompanying that letter was a statement which in its totals has been placed on Hansard on numerous occasions. Then later I received another official communication under date of March 7, 1925, from the Department of Labor, Washington, office of the Assistant Secretary, as follows:

I have the honour to refer to your telegram of February 10, 1925, and to my letter of February 13th, in which I enclosed a statement showing the number of immigrant aliens admitted to the United States from Canada, Newfoundland and Mexico, by months, during the two years ending December 31, 1924.

I now take pleasure in enclosing a statement showing the number of head tax refunds at Canadian borderland ports during the last two calendar years, by months.

I am,

Sincerely yours,

ROBE CARL WHITE,
Second Assistant Secretary.

Accompanying that letter were the figures which I gave to the House a moment ago.

Mr. ARTHURS: Does the hon. gentleman dispute the figures which I quoted from the official report of the Department of Labor, Washington?

Mr. MURDOCK: Not one whit.

Mr. ARTHURS: Has the hon. gentleman made himself familiar with the figures in this book?

Mr. MURDOCK: Exactly, and I quoted from them rather voluminously in the statement I made to the House.

Mr. CLARK: Does the Minister say—

Mr. MURDOCK: My hon. friend asked a question; please let me answer it. He will not find anywhere in that record a statement showing the head tax refunds that I asked for.

Mr. ARTHURS: He will find something else.

Mr. MURDOCK: My hon. friend is right. You will find there figures compiled by the department indicating the returning Canadians who came back after six months. But of the returned Canadians who came back within six months, and got their head tax refunded you will find no record.

Mr. ARTHURS: Yes we will. The minister has not read the whole report. I gave several sets of figures, all of which were most illuminating, I think, to members of this House, and I am going to give another set now. We have here the returns, under the same authority and in the same book, of the net increase and decrease in the number of Canadians who have gone to the United States during the last two years. This report gives not only those who went over for permanent residence, but also those who are required to get permission to receive back the head tax they have paid—that is those who went as visitors or non-permanent residents to the United States. Now, I can give my hon. friend those figures; they also are more or less illuminating. For the year 1923, the immigrants admitted were 117,011. The non-immigrants—those who went into the United States openly and above board and had to pay their head tax, I presume—numbered 9,731, total 126,742. Now the number of departed emigrant aliens, that is men leaving the United States permanently, was 2,775, vastly different figures from those quoted by the minister.

Mr. MURDOCK: For what period?

Mr. ARTHURS: For the year 1923. The number of non-emigrant aliens who returned to Canada in the same year was 21,447. This is how the minister got his figures bolstered up. These were non-residents that returned. These two items make a total of 24,222, or a net increase to the population of the United States from Canada of 102,520 for the year 1923. We will take the year 1924. Those admitted openly as emigrants from Canada numbered 200,690. The non-immigrants who entered the United States numbered 8,598, a total of 209,288. Now we will take the other side again. The number of emigrant aliens that entered Canada from the United States in 1924, was 2,601, and the number of returned Canadians, that is non-emigrants, was 25,493. If you add these two figures together my figures and those of the minister are not very far apart. But the result differs very greatly because the Americans show an entirely different set of figures, the net result being that 28,094 left the United States altogether in 1924. In other words there was an absolute net increase of the population of the United States from Canada during the fiscal year 1924, of 181,194. These are the figures of the Department of Labor which the minister himself does not question and which any member of the House can obtain at any time.

Mr. MURDOCK: I will hand this file over to my hon. friend, and perhaps he will draw my attention to where this is wrong.

Mr. MANION: After listening to the Minister of Labour arguing about the number of Canadians coming back to Canada from the United States it seems to me there are two chief reasons why that number would naturally be increased this year as compared with last year. In the first place there are more Canadians over there, there is a marked in-

crease in the number of Canadians in the population of the United States, and naturally there would be a large increase in the number coming back. Then, I think, another important reason why they have been coming back is they have heard in the adjoining republic that in the very near future we are going to have an election in this country, and they want the opportunity to vote against this government that drove them to the United States. I think these may be the reasons for the return of Canadians from the United States.

Mr. ROBB: Then you are glad they are coming back?

Mr. MANION: I am glad they are coming back because I am sure any of those who were driven over to the United States by lack of work due to the inefficiency and the unstable tariff policy of this government would naturally vote for us.

I wish to submit another reason as against the reasons assigned by the Minister of Labour for people going from this country to the United States. The reason people go there is because they cannot get work and wages in Canada. It does not matter anything about the paeans of pessimism that my hon. friend talks about. Nobody will leave Canada because somebody happens to be pessimistic, and I do not know how anybody could be optimistic under the present conditions. But even if we were pessimistic, a man who has occupation in this country, who has got work and wages, is not going to leave a job here to go to the country to the south.

Mr. MURDOCK: Will my hon. friend accept the list if I will get it for him? There are simply hundreds that are in that class.

Mr. MANION: Hundreds of those to whom my hon. friend points as coming back after a visit to the United States?

Mr. MURDOCK: No, no, but hundreds who had jobs here and who desired to look for something else in the United States. There are a good many hundreds of them; I can give two or three right out of my own department.

Mr. MANION: Two or three men?

Mr. MURDOCK: Yes, and I can give him a list of hundreds of others if he wants it.

Mr. MANION: According to the ratio mentioned by the minister the number would not exceed 1,000 but there were 200,690 that went over last year.

Mr. MURDOCK: I do not know them all.

Mr. MANION: The minister does not know them all; there would be many more go if he did.

Mr. GARLAND (Bow River): Is it not possible that the men who left the minister's department did so to accept better positions in the United States?

Mr. MANION: Very probably. However, I was going on to say what the reason was for these people leaving Canada. There is no question about it to anybody who gives the matter any thought that a large proportion of the people who are leaving this country are doing so because they cannot get work and wages. It is not because they hold jobs or because they want a lower cost of living; it is because they want to be able to earn a living and they have not been able to do that in this country. And the reason they have not been able to do so, I repeat—even at the risk of arousing hon. members to my left as well as some hon. gentlemen opposite —is because of the unstable tariff policy of this government which is reducing the opportunities for employment in Canada and driving people who want a living over to the United States.

Mr. ROBB: There is not much chance of my hon. friend dragging me into a tariff debate this afternoon. We have had forty days of that already, and the people of Canada, as represented in this parliament, have already pronounced upon that issue.

Mr. MANION: They will pronounce at the next election.

Mr. ROBB: I do not wish to break faith with hon. gentlemen opposite in saying that it is not the intention to have a prolonged debate this afternoon, and as soon as the vote for civil government is through we will go on with the estimates of another department. I want to keep my promise that we would give an opportunity later on to hon. members who are absent to discuss the whole immigration policy of Canada. I only rose to make this admission: Living as we do alongside the United States there has been a flow of population between the two countries for many years, and there always will be; it cannot be stopped. I venture to say that there are but few families in all Canada—I am talking now of the native born—that are not represented in the United States in some way by family connections. That has been going on for years, and the representatives of many of these families do not know each other because they

are of the second and third generation. There are times when there is a movement towards the United States; there are other periods when there is a movement towards Canada, when United States citizens come into this country and become good Canadian citizens. Indeed there are some in that category who at present have seats in this chamber. Now it has been said that, "there are lies, damned lies, and statistics." I want to submit to my hon. friend who has quoted United States records—in good faith, I believe—something that would warrant him in the belief that we must go carefully in accepting these statements.

Mr. ARTHURS: Will my hon. friend allow me?

Mr. ROBB: When I get through my hon. friend will have the floor. According to United States records of the Immigration department for the years 1910 to 1920, we find that 742,000 Canadians left Canada to go to the United States as immigrants, but according to the United States census taken in 1920 there were 78,000 fewer Canadians in the country than there were in the previous census of 1910.

Mr. SPENCE: Were they naturalized?

Mr. ROBB: No, these are the records that were taken of the Canadian-born. When they took the census they would ask a man where he was born. Now I will admit that there was a considerable number of Canadians going to the United States two or three years ago. There was a boom on there, and they were paying carpenters from $12 to $20 a day, and bricklayers, plasterers and masons were getting high wages. Do hon. gentlemen think that a man would go to work on the farm at $2 or $3 a day when he could get $15 or $20 a day as a carpenter in the United States? Now the conditions have changed very much recently. We have here the latest statement of the United States bureau issued on 6th May, which shows that the number of immigrants admitted into the United States for the month of March last, giving Canada or Newfoundland as their permanent residence, was 4,408, as compared with 13,474, in the same month a year ago.

Mr. ARTHURS: Are these figures correct?

Mr. ROBB: They come to us from the United States bureau, they are just as correct as the figures quoted by my hon. friend from Parry Sound. This is a falling off of two-thirds. According to the figures of the United States bureau of the emigration from Canada and Newfoundland from July, 1924, to March, 1925, the number was 82,515, as compared with 146,780 in the same period a year ago. So that, admitting all hon. gentlemen say about conditions a few years ago, they are improving according to the records of the United States government.

Mr. ARTHURS: The whole thing seems to hinge on the question of authority, and I want to point out to this House and to the Minister of Labour, that the figures which I quoted, which I hold in my hand, from the American Department of Labor, are signed by this very same gentleman to whom the minister sent his telegram asking for the information, I refer to Mr. Davis, the head of the Labor department of the United States. The figures I gave and the report are the official figures given by Mr. Davis; the return my hon. friend has is not signed by anybody.

Mr. MURDOCK: I beg pardon.

Mr. ARTHURS: There is a covering letter which may or may not be right, signed by the second assistant secretary, but not by Mr. Davis at all. It may be all right.

Mr. ROBB: That is hair-splitting.

Mr. ARTHURS: It may be all right.

Mr. MURDOCK: I have not a word to say to that kind of argument.

Mr. ARTHURS: What possible answer can there be to the fact that the figures I have given are issued by the same authority to whom he appeals? There can be no question at all about that.

Mr. MANION: I wish to answer one argument advanced by the Acting Minister of Finance. I think he is really quoting a statement made by the Prime Minister in regard to these figures of the emigration to the United States. He gave the figures as 742,000 going into the United States. The emigration figures show 742,189 immigrant aliens admitted to the United States from Canada during the ten fiscal years ending June 30, 1920, and yet at the end of the ten years my hon. friend makes the statement—and I think a correct statement according to the figures he has—that there are fewer Canadians in the United States according to their figures than at the beginning of the period.

Mr. ROBB: Yes.

Mr. MANION: The Prime Minister made the same statement in the debate on the Address, because this same question was up for discussion then, and at that time I made it my business to write to the Department of

Labor at Washington and I quoted the Prime Minister. I wanted to get the explanation because it seemed to me an extraordinary statement and this is the explanation in brief from the Department of Labor. They point out these figures are correct as to the number of emigrants going from Canada to the United States, but all those who went from Canada to the United States were marked as Canadians going to the United States; but many of them were British-born, and many of them were Canadians of French extraction, and when they were taking their census the latter may have been entered as French. He does not specify that, but I am adding it because I take it that is what may have happened in regard to Canadians of French extraction. So that an Englishman who had been living ten years in Canada, and then went to the United States, was entered as a Canadian going to the United States in the emigration papers, but was entered as an Eng'ishman in their census statistics, because he was English born. I would venture to say, although I do not know exactly—that a Canadian of French extraction would probably say he was French, quite off the bat. They would take it that he was French.

Mr. ROBB: The French Canadian is a Canadian, and I recall the day—perhaps my hon. friend recalls it also—that the only people who were referred to in this country as Canadians were the French Canadians.

Mr. MANION: My hon. friend need not emphasize that point with me because I married one of them. I admit the French Canadians are the original Canadians so far as that goes. Nobody has any finer words to say about them than I have.

Mr. GRAHAM: You have to.

Mr. MANION: Perhaps there is something in that—to keep peace in the family. But at any rate I put in the part about the French Canadian because I thought possibly that might happen. But in the case of the man who was Scotch, English, Irish or any other nationality, who came to this country and lived a few years, became a naturalized Canadian, and went over to the States and lived there, the immigration officers would mark him down as a Canadian, whether he was Scotch or Irish or whatever he was. He may have been living many years in Canada. But by the census officers he would be asked his place of birth and would give it. That explains the difference in census and immigration figures. The 742,000 people who went to the United States were largely people who were not born in Canada. Possibly 200,000 would be born in Canada and 500,000 would be born elsewhere, and they would give their place of birth, not as Canada, but as Scotland, or whatever country they were born in. That is why the census figures do not agree with the immigration figures.

Mr. ARTHURS: I may say in the returns I was quoting from there is a column giving the country of origin of all immigrants to the United States, and in that column in one particular year which I am carrying in mind now there were given 33,000 French Canadians, 28,000 Irish and the others gave the country of their origin, and they carry out the statistics in that way.

Mr. BALDWIN: Quite recently I was interested in sending a man whose home was in Texas to Los Angeles twice, and he made his return last Monday to this city. The picture he drew of what he saw there was very interesting. Thousands of people are loafing and cannot get work. In fact, he said, he never saw as many out of employment. He said if people in Canada only knew the beautiful country they have here compared with what they find when they go elsewhere, they would be content and not leave. He said, "I never saw such a crowd of people, of loafers trying to find something to do, and who were trying very hard to get back into Canada". Two or three weeks ago I was told by a man that there were forty-seven vacant farms in the township in which I lived, and he wrote letters to me and told of people who sold out their farms and went to California, and were now wanting aid to come back. He spoke of many people who were whining and shedding tears because they wanted to get back to their own country. They had wasted their money they took with them from Canada.

Is it any wonder that spineless, frightened people have left this country? American born good-for-nothings in time work their way back into the United States, and they are now over there being kept on charity by wealthy people who made their money by getting high prices during the war out of those countries which were engaged in that terrible struggle. There are tens of thousands of people who will not work, who have gone there. The rich people say: Have you any poor? if you have, let us know where they are and we will feed them. That country has grown rich, and it is doling out to the shiftless. The Union government,

during its regime, brought down a policy to tempt people out of this country. Time after time they said that it was not the worst thing to be in a country where there was a small population. They would rather have a few people who were thrifty. The guilty people on this question are sitting on the opposite side of the House. I say again, it is not the worst thing to be in a country where we are not keeping a lot of people on charity. We have a fine, vigorous class of people in Canada. The hon. member for Marquette (Mr. Crerar) last night said that before this century closed, Canada would have a population of 100,000,000. It is cheap talk and all tommyrot about people leaving Canada, and it is wasting the time of this parliament to talk about it.

Mr. WOODSWORTH: Is there no possibility of consolidation of the immigration activities of this government and those of the Canadian National? In response to a question which I asked, the following figures were given me. The cost of maintaining the Colonization department of the Canadian National Railways in Europe during the years 1923 and 1924 respectively was: For 1923, $28,397; for 1924, $178,329. I would call attention to the fact that when we are discussing salaries under this department, we are discussing only a part of the salaries connected with the immigration activities of this country. With regard to the Canadian National, we are not given information as to the size of the salaries; the management does not consider it to be in the public interest that this information should be given to the people. We are not given information as to the expenses connected therewith, but undoubtedly there is a very considerable duplication and unnecessary expenditure. I have had sent me by an Old Country correspondent examples of advertising which is being carried on by the Canadian National Railways side by side with advertising that is being carried on by this department. It may be all very well, perhaps, for the minister to take the ground that the Canadian National is conducting its own affairs in its own way, but it as well as the department is subject more or less to this government, and the country is footing the bill. We ought therefore, to see to it that there should not be duplication and waste.

A good deal has been said recently about what is alleged to be the campaign that is being carried on in the Old Country with regard to immigration to Canada. This is stated to be insidious in character. There are some who claim to trace its source to Moscow or some other district which is supposed to be under the ban. I read an article only a few days ago in which the immigration question was being discussed. This was in one of the leading Old Country labour papers, the Glasgow Forward. I found that the article was basing its statements very largely on Hansard reports of discussions that had taken place in this House. It is quite true that some of the members in this quarter were quoted, but I noticed that members of the Conservative party and members of the Liberal party were also quoted as to conditions in Canada. Among other things attention was called to the situation in Cape Breton. I mention this just to suggest that with the quick communication which now existed in this country and around the world, it is absolutely impossible for us in Canada to try to fool the people either in England or in Europe as to conditions which prevail here.

Mr. MACDONALD (Pictou): Anyone who has visited England or Europe knows that conditions there are ten times worse than they are in Canada.

Mr. WOODSWORTH: I recognize there are very bad conditions in both England and Europe, but I would reaffirm my statement that it is absolutely absurd for us to think we can fool the people there as to what conditions really are in Canada.

Mr. MACDONALD (Pictou): Conditions here are a great deal better than anywhere on that side of the world.

Mr. WOODSWORTH: In reference to the particular article to which I called attention, the writer of the article who had been resident for five years in Canada, urged his fellow countrymen to remain in England rather than to risk themselves over in Canada under conditions that prevailed here. From year to year in this House a good deal has been said with regard to misleading statements which have gone out from our immigration department. I very frankly concede that much of the trouble lies in the fact that Old Country people are not able to appraise properly statements that are made in our literature. Conditions are so different that they do not always interpret the statements correctly. Yet, I would note that we are putting forth efforts very frequently which can hardly be justified. One of our Winnipeg papers recently called attention to the extent to which Scandinavian papers were being used to stimulate immigration from Sweden and Norway. The following literature was quoted:

Department of Immigration and Colonization
Accounts Branch.

Ottawa, Ont., December 4, 1924.

Sir,—I beg to enclose herewith cheque No. 12731 in your favour for $320 in payment of your account against this department for 4,000 copies of Norrona, account November 15, 1924.

Your obedient servant,

A. R. MORISSET.
Accountant.

It would seem, from the information contained in this article, that as regards this Swedish paper published in Winnipeg with offices on Logan avenue and another Scandinavian paper, the circulation of neither paper exceeds very much 5,000 copies per issue. The government takes 4,000 copies per issue. These are distributed in the Old Country, and people, by means of quite highly coloured descriptions, are induced to come to this country. I have in my hand a communication from one of these Scandinavian people who has been here for a number of years and who protests against these statements on the ground that they were deceiving his countrymen in the Old Land. I would call the attention of the department to this situation and urge that it is more than useless to base a general policy on the circulation of literature which, although the statements in themselves may not be false, gives more or less of a misleading impression as to the actual situation in Canada.

Further, let me ask, is it true that the Canadian government has guaranteed employment to immigrants sent here under the Empire Settlement Act? That has been declared in the British House of Commons by the Home Secretary, the Right Hon. Mr. Amery. I do not know how far that is a correct interpretation of the empire settlement scheme, but I have in my hand the draft agreement one clause of which states that the Dominion government undertakes to make adequate arrangements for the reception and absorption of immigrants on arrival. I find that some of our people in Canada, who cannot find any employment, consider it rather a strange thing that our Dominion government refuses to assume any responsibility for securing work for our own citizens when, as the British Home Secretary is reported to have said in the House of Commons, the Canadian government guarantees employment to anyone who will come to Canada. I think we should have it clearly put before us by the minister just what is the understanding, and whether or not this is correct.

Mr. MACDONALD (Pictou): Will the hon. member read exactly what the British Home Secretary says?

Mr. WOODSWORTH: I have not looked up the original documents; I have taken this statement from a clipping which I saw in a reputable journal which summarizes the statement that was made in the British House.

Mr. MACDONALD (Pictou): My hon. friend should not come and make the statement that this government guarantees work to everyone that comes to the country, and this on the strength of an alleged declaration in the British House of Commons, without producing the precise words.

Mr. WOODSWORTH: I might have consulted the British Hansard but I took this from a newspaper report.

Mr. GARLAND (Bow River): If the Minister of National Defence (Mr. Macdonald, Pictou) will read an official letter of the Canadian Chamber of Commerce in London he will find exactly that statement reproduced in print under the authority of the Department of Commerce in England.

Mr. MACDONALD (Pictou): I am referring to a statement alleged to have been made by the Right Hon. Mr. Amery.

Mr. WOODSWORTH: I took the clipping from a reputable journal which summarizes what was said in the British parliament. The statement was made that the Canadian government had guaranteed employment to immigrants sent here under the Empire Settlement Act.

Mr. MACDONALD (Pictou): That is not what the hon. member said; he said that employment was guaranteed to everyone that came here from the other side.

Mr. WOODSWORTH: I shall have to leave the decision of that point to Hansard; I was reading from the slip I held in my hand. Now, I want to know whether this statement is correct or not. Is this the understanding that exists between the Canadian and the British governments? If it is incorrect I want the minister (Mr. Robb) to say so. I am not criticizing anything that the British Home Secretary may have said, for he is not here to answer; I am discussing an agreement and I am asking whether or not such an understanding as is suggested by the alleged statement of the Home Secretary does exist between the Canadian government and the British government. The statement that appears in the draft agreement with the Canadian government with re-

5 p.m.

gard to nominated passages for agricultural workers reads:

(d) Make adequate arrangement for the reception and absorption of migrants on arrival.

Whether that can be interpreted as meaning that the Dominion government will take care of these people and provide employment for them, as apparently according to my information the British Home Secretary believes, is the matter I have in mind and on which I should like a statement from the minister.

I do not wish to enter into any detail regarding the whole question of immigration, but I suggest that at least on the part of a considerable number of people in the Old Country there is coming to be a fuller understanding of some of the social and economic conditions that prevail in Canada. Let me take this opportunity of calling attention to the fact that naturalization certificates amount to very little; under the present act they may be revoked on the authority of one individual. I do not believe that such a condition should prevail. I know that among some of my non-English-speaking constituents, aliens who come to this country, it is keenly felt that if they are once naturalized in Canada they should enjoy the protection which such naturalization ought inevitably to involve. Further than that, there are great difficulties in many sections of the country placed in the way of immigrants who wish to become naturalized. When an immigrant applies for naturalization a mounted policeman is sent to interview him to find out all about his connections and to report concerning him. Inquiries are made as to whether he belongs to a particular trade union or not, and I am informed that very frequently applications have been turned down because the man asserted that he belonged to a particular organization. Is this a fact or not? I have been told it again and again as I have visited different labour camps across the country. I venture to say that immigrants to this country who are in constant communication with their friends in the Old Country are telling them about these things, and it is no great mystery that there is a good deal of reluctance on the part of many people in Europe to come to Canada. I would remind the House that although this present parliament has been functioning now for four years we still have on the statute books an amendment to the Immigration Act placed there in 1919, which has been modified only in part and which has the effect of depriving certain classes of immigrants into Canada of the right to trial by jury. That affects Englishmen and Scotchmen as well as aliens,

[Mr. Woodsworth.]

and I know that this matter is very frequently discussed among different groups of labour people who have come to this country, and it is reported throughout the labour papers in the Old Country. The various organizations in England and Scotland, I need hardly remind hon. gentlemen exercise quite a wide influence. In these there has been a good deal of discussion with regard to the backward social legislation which we have in Canada. Englishmen who have been assured of the right to belong to a union and who in the Old Country have been accustomed to the idea of certain social insurance find it very difficult to reconcile themselves to the prospect of coming to a country where such provisions are yet to be enacted.

It is all very well from our standpoint to say to the immigrant, come and help us carry our load. But it is another thing from the standpoint of the man coming here to help carry that load. Some of us who have tried to catch horses at large know that if we carry the halter too prominently displayed the horse does not always come to our hand. And we have been declaring throughout the country that we wish immigration to Canada very largely to help pay our national debt. I am not at all sure that this is the best kind of immigration literature to send abroad.

Mr. COOTE: That would not be misleading.

Mr. WOODSWORTH: No, I do not know that it would be misleading.

Mr. ROBB: Will the hon. gentleman quote from any such literature.

Mr. WOODSWORTH: Such literature is being sent over.

Mr. ROBB: No.

Mr. WOODSWORTH: It is being sent over there in every bound copy of Hansard that leaves the country. It is being sent over by the president of the Canadian Pacific—

Mr. ROBB: The government is not responsible for the utterances of my hon. friend.

Mr. WOODSWORTH: No, but the government is responsible for the conditions that exist, and we in this House are in duty bound to try to remedy those conditions. Instead of continuing to spend, as we have done for many decades, large sums to induce people to come to this country, I suggest that we spend a quarter of the amount in changing the conditions that prevail so as to make life more attractive to the people out on the plains and to the people who come to our cities, particularly to our industrial centres. If we

did that I have not the slightest doubt that we would have more applicants for admission to this country than we could readily take care of.

Mr. CLARK: A great many Canadians who have become naturalized in the United States are desirous of returning to this country. Many have returned and are discouraged to find that they are unable to regain their status as British subjects until they have resided in Canada five years. This matter was brought up this year in the budget debate by the hon. member for London (Mr. White), and again, I think, by the hon. member for Kingston (Mr. Ross) on the estimates of the Secretary of State. I personally took it up with the Minister of Immigration and the Secretary of State in the fall of 1923, and later with the Prime Minister, and all agreed that the situation should be dealt with. But it was pointed out to me in 1923 that the naturalization acts of all the dominions and the Mother Country had been made uniform in 1914 and that no amendments could be made by this parliament until the matter had been taken up at an Imperial conference. We have had two or three Imperial conferences since then, but I do not suppose the matter has ever been dealt with. On September 10, 1924 I wrote a letter to the Prime Minister with reference to the difficulty of repatriating Canadians. I have had no reply other than an acknowledgment by his secretary, written when the Prime Minister was in the west last fall. My letter was as follows:

> With further reference to my letter of the 30th July and to your reply, I note from a newspaper communication that South Africa has recently passed an amendment to its Naturalization Act, the effect of which is to give the status of British citizenship to Germans who have resided there for a period of six months, should they so elect. If this British dominion has power to make such a drastic amendment to its Naturalization Act, surely the Dominion of Canada has power to amend its act so as to repatriate Canadians within a reasonable period, who have lost the status of British citizenship by becoming naturalized American citizens.
>
> May I once more urge upon you and your government the importance of giving this matter your early consideration so that an amendment along the lines previously suggested may be considered at the next session of parliament.

I realize that this matter concerns the Department of the Secretary of State, but it is of vital importance to our immigration policy that those Canadians who have lost their Canadian status, their British citizenship, by becoming naturalized United States citizens, should be given every opportunity to regain their Canadian status on their return to Canada with the intention of once more becoming permanent residents of this country.

Mr. SUTHERLAND: Every encouragement should be held out to former Canadians to come back to Canada and resume their citizenship here. I have in mind two instances of Canadians who went to the United States a number of years ago, became naturalized, did very well there, but came back to this country and married Canadian women, and they have to remain here five years before they can secure Canadian citizenship. But that is not the worst feature of it; the women they married become American citizens, although they have lived here all their lives. That is a great injustice.

Mr. POWER: If the hon. member will pardon me, these women do not become American citizens; they become citizens of no country at all, which is very unfortunate. That matter was brought up last week.

Mr. SUTHERLAND: That is perhaps even worse. Anyway, it is a rank injustice that people who have lived in Canada all their lives should lose their nationality on that account. This is a matter that demands the attention of parliament and that calls for speedy redress. I notice that a measure of this kind was introduced into the Imperial parliament during its session this year and that that grievance has been removed so far as they are concerned.

Mr. COPP: I quite appreciate the difficulty, if you may call it such, which has been referred to by the hon. member for Burrard (Mr. Clark) and the hon. member for South Oxford (Mr. Sutherland). But we have to go back a little to get a proper view of the situation. From 1902 up to 1914 the question of the adoption of a uniform naturalization law was the subject of discussion between representatives of this government and of the Imperial government, and in 1914 that uniformity was brought about. It was thoroughly understood that Canada or any other part of the empire could adopt its own naturalization law, but if a similar law was not enacted by the Imperial government those who should become naturalized under the special Canadian law would be British subjects only while they remained in Canada. No one disputes the right of this parliament to amend our naturalization law to provide that Canadians who return to this country may secure all the rights of citizenship without remaining in the country five years, but under such naturalization they would be British subjects only while in Canada. There is much to be said for the suggestion made by the hon. member for Burrard—and he has made it to me privately as

well as in the House. I have had requests from many other people throughout Canada along the same line. Just here I may say that the hon. member for South Oxford is in error, I think, in stating that a bill with regard to this matter has been presented to the Imperial parliament. As I understand it, it was presented in the form of a resolution which has not yet been accepted by the Imperial parliament. I would point out also that when our Canadians left this country and went to the United States they remained there for five years before becoming naturalized, and after giving due consideration to the matter they foreswore their allegiance to this country. We are very glad to hold out the hand of welcome to our friends who have left this country and desire to return, and personally I should be glad indeed if we could shorten the time of their residence here which is a qualification for reassuming their British citizenship, if that could be done without interference with the general naturalization act. I do not see how it can be done, but if such an arrangement can be made, and the Imperial parliament will agree to shorten the time of residence in Canada for Canadians who have gone to the United States and then returned, we shall be very glad to pass an act accordingly, but it must first be agreed to by the Imperial parliament before these returning ex-Canadians can become British subjects throughout the empire. Otherwise, they would only become British subjects in Canada. That is the stumbling block, and I do not think it would be wise to have the two qualifications. However, the matter will be given consideration, and if it is possible to shorten the time and have an act passed by the Imperial government, we shall be very glad to amend our act accordingly.

Mr. CLARK: Has the minister seen the act passed by South Africa?

Mr. COPP: It has not been brought to my attention.

Mr. CLARK: I am informed that an amendment to their Naturalization Act was passed by that dominion under which the status of British citizenship was granted to people who had resided there for a period of six months.

Mr. COPP: When was that amendment passed?

Mr. CLARK: The only information I have I noticed in a newspaper despatch about the 1st of September last year, and I wrote the Prime Minister then drawing his attention to that fact, and suggesting that if another dominion could do it, Canada might do it. I can quite see it may be desirable, I think it is desirable, to have uniformity in all the British dominions and the Mother Country as far as British citizenship is concerned, but I say this is a very vital matter to Canada, and if it takes over two years to communicate with the other dominions and the Mother Country over a small point like this, I would suggest that as a temporary expedient this country might well pass an amendment to its Naturalization Act repatriating those Canadians who return and give them British citizenship in a lesser period than five years. Then afterwards, if it requires three or four or five years to get into communication with the other dominions and the Mother Country over this matter, our act can again be amended to bring about uniformity. I am quite sure, however, that if this matter were taken up with the other dominions and the Mother Country, and if Canada requested that Canadians who have lost their citizenship by reason of being naturalized in the United States, who have returned to us and who desire to live in this country permanently, should be allowed to regain their status, they would readily agree because Canada after all is the only one of the dominions vitally affected. We are the only country, except the Mother Country, that is losing citizens to the United States and we are in a different position from the Mother Country in that the Mother Country has a policy of emigration, whereas we have a policy, or should have, of immigration. We are looking for immigrants; they are not. I think we would have no difficulty whatever in securing the co-operation of the other dominions and the Mother Country, and I for the life of me cannot see any reason why this matter has not been taken up by the government if it thinks it is desirable that these people should be encouraged to return and again take up British citizenship; I cannot for the life of me see why it has taken two and a half years to get into communication with the other dominions and the Mother Country.

Mr. COOTE: I would like to take this opportunity of expressing my disapproval of the attitude of the government during the past year particularly in the matter of unemployment relief. I think it is time that this House made some definite pronouncement on the policy of the government in that connection. I think myself it is very unfair for the Dominion government to carry on an immigration propaganda and bring many immigrants into this country, and then when the

unemployed immigrants become a charge on the municipality say to the cities where these unemployed are: We have no responsibility in this matter; you must take care of your own unemployed.

I would like to quote, with approval, for the benefit of the committee a short editorial from the Calgary Herald, as follows:

> The Dominion government has disclaimed any responsibility for the care of unemployed in the cities.
>
> Calgary does not ask the Dominion authorities to assist in the care of bona fide citizens of ten months' residence. Calgary is satisfied to accept these as a charge upon the city.
>
> But how about immigrants brought to Canada by the Dominion government, ostensibly to work on farms, who have recently come to Calgary and are now destitute? There is no justice in the Dominion government's claim that it has no responsibility in these cases.
>
> And how about immigrants who are allowed to enter Canada after faulty medical examination, who, almost as soon as they arrive here, have to be sent to hospital? Calgary at present has instances of this sort, men suffering with tuberculosis, being cared for at the expense of Calgary.
>
> If proper medical examination of these people had been made at the port of entry their condition would have been revealed. The Dominion government has an undeniable responsibility in these instances.
>
> There are destitute families in Calgary and there are patients in Keith sanitarium that should clearly be cared for by Ottawa, but when Mayor Webster brings the facts of these cases to the attention of Mr. Murdock, the minister to whom appeal should be made, he coldly ignores them and refuses to make any move.
>
> Mr. Murdock is as unfeeling as he is unfair in this attitude. These people are brought to Canada by the government and then left to starve or to die; the government does not care, it will take no step to save them.
>
> This is not a fanciful picture. It is the sad truth, a truth that can be abundantly proved by the records of the city relief department, of Sunshine, and other agencies of relief.

I know of a case, Mr. Chairman, which occurred in a rural municipality in the province of Alberta.

Mr. POWER: Does the hon. member seriously contend that the federal government should pay unemployment doles or in any way look after the unemployed who have only been here a matter of five or six months, and seek to make this country a kind of workhouse for the scum of Europe?

Mr. COOTE: No one who has followed my remarks when immigration has been discussed could accuse me of wanting to do that.

Mr. MEIGHEN: It could not be so bad if it was a workhouse, could it?

Mr. COOTE: In answer to the hon. member for Quebec South (Mr. Power), if there are people who have been in this country only a few months and who find themselves out of employment, if it can be clearly established that they have come here because of the propaganda sent out by the Immigration department, I say that this government has a distinct responsibility in aiding the municipalities who have to take care of these people. I do not think that can be disputed. If it can, I would ask the minister, when I sit down, to give reasons why they should not assist in that respect.

I want to bring to the attention of the committee a case that occurred in a rural municipality in the province of Alberta of a family brought out to this country by the Immigration department authorities and settled on a vacant farm, and who later came to the authorities of the rural municipality and asked for relief.

Mr. ROBB: What is the name?

Mr. COOTE: I will not give the name.

Mr. ROBB: If my hon. friend gives the name, he knows I have the answer. I gave it to him before, I think.

Mr. COOTE: No, the minister never gave it to me before, but I can assure him I do not think there can be any doubt of the bona fides in this case.

Mr. MACDONALD (Pictou): Then why do you not give the name?

Mr. COOTE: I have very good reasons for not giving the name. But this is only one case, Mr. Chairman. There are many of them in Canada, not so many in the rural parts as there are in the cities. This particular family had been in receipt of the dole in the Old Country. These people acquire the habit of living on doles, and when work is not very convenient or the wages not entirely satisfactory to them they feel they should receive doles. I want to try and impress upon the committee that we should be very careful in inducing people to come from England where they are getting used to the dole system.

Mr. ROBB: Right here I want to say that instructions have been given that any officer who sends to this country a perpetual dole taker is subject to immediate dismissal. Now will my hon. friend give me details as to this case so that I can have the matter dealt with?

Mr. COOTE: I will endeavour to get the information for the minister as to when the people came; personally I do not know. This information came through the secretary of a municipality. I know he is a reputable man and that is why I made the statement here.

But the point I want to impress upon the committee is that a great many people in the Old Country are now in receipt of doles, and if they come to this country and the work which they desire to accept is not to be had they are very likely to adopt the attitude that the government should give them doles. I do not think we can afford to pay out doles in this country. I dislike doles but, of course, as I said in answer to the hon. member from Quebec, if the government insists on bringing people to this country by means of propaganda which it puts out I think it is more responsible for looking after these people than the municipality in which they happen to locate. That is the point I want to impress upon the minister; and I would ask the government if it will not give this committee an assurance—

Mr. ROBB: The answer is that it is not done.

Mr. COOTE: What is not done? Does the minister mean to say they are not bringing people to Canada?

Mr. ROBB: We are not bringing dole takers to Canada.

Mr. COOTE: Whether they are dole takers or not, if they come here and inside of three months find themselves in a city with no employment and the city has to feed them, is the government going to say to that city, as it has done in the past, "The matter is no concern of ours, you must feed those people yourselves"? Though the government has itself created such a situation by bringing the people here that has been its attitude in the past. Is it going to continue taking the same attitude?

Mr. ROBB: Does my hon. friend want an answer now? At present we are considering the vote for civil government, but I may as well answer his question now by saying that the policy of the government was very clearly outlined during the present session. We do not propose in this country, we do not think it is necessary, to pay unemployment doles. As to the argument advanced by my hon. friend I do not believe for a moment, that the people he represents in parliament would support the policy that Canada should undertake an unemployment dole system. I do not think the people of Canada are prepared to adopt such a policy as that.

Mr. COOTE: I hope the minister does not think I am advocating any such policy.

[Mr. Coote.]

Mr. ROBB: It is pretty close to that policy.

Mr. MACDONALD (Pictou): What else would it be if you are going to pay money to such people when they are not working?

Mr. COOTE: I will repeat, for the benefit of the minister, a sentence from the editorial already quoted:

> How about immigrants brought to Canada by the Dominion government, ostensibly to work on farms, who have come recently to Canada and who are now destitute? There is no justice in the Dominion government's claim that it has no responsibility in these cases.

That is the point I was trying to get the minister to answer. The government thinks it has no responsibility. Does the government think all the responsibility should be placed upon the municipality where these people are? Does the minister deny that various cities and municipalities in Canada have to pay out a great many thousand dollars for relief? I was told when I came through Winnipeg on my way to Ottawa that the city was feeding 2,000 families at that time. What I say is that it is unfair for the government to bring in these people and not to assume some share in the responsibility for taking care of them in the winter time. I think myself the government should stop a lot of this immigration propaganda and then we would not have these unemployed people on our hands. But if they are going to persist in such an immigration policy I should think they ought to share with the municipalities the burden of this relief. I should like to get an assurance of that kind from the government if we are going to maintain the same kind of immigration propaganda.

Mr. MURDOCK: May I ask my hon. friend the date of the editorial in the Calgary Herald?

Mr. COOTE: It was published some time during the past winter.

Mr. MURDOCK: About what time?

Mr. COOTE: I would think somewhere about the month of December.

Mr. MURDOCK: Did my hon. friend note a news item in the Calgary Herald of April 3 last in which, under large headlines it is stated:

> Refusing to accept jobs, two hundred men ordered out of labour bureau.
>
> Majority of them alleged to be persistent idlers, and when Superintendent Carnill fails to persuade even one to take farm work, he closes door on them. Civic authorities checking up situation and police are making an investigation. Farm hands may have to be imported.

And then in the same article the acting mayor is alleged to have said:

These men have been hanging around the city the best part of the winter "and it will be necessary for the civic authorities to take some action to see that they either go to work or move on. You can say that we are going to take some action to get these loafers out of the city but we haven't definitely decided what that will be."

I do not argue that that is all correct. What I state is that this news item indicates what the Calgary Herald believed to be the situation in that city.

Mr. SUTHERLAND: The situation is a very peculiar one. We are spending money lavishly in order to bring people to Canada to fill up the vacant places throughout the country, and at the same time there is a dispute between hon. gentlemen on both sides as to the number of people that are leaving the Dominion every year. There is one point as to which everyone is agreed, and that is that the country itself is all right. Nature has made very generous provision for the people who inhabit Canada; I doubt if there is a similar area in the world which holds greater possibilities than this Dominion does. That being the case would it not be well to take the trouble to find out what drawback we are suffering from, because there certainly must be something seriously the matter when the condition which has been alluded to exists. I listened to arguments pro and con between the Minister of Labour and the hon. member (Mr. Arthurs) with regard to the number of Canadians who have gone to the United States and the number who are returning. In this connection may I quote from a despatch in the Montreal Gazette of April 20, last under a Toronto date line:

Immigrant smuggling rings, with agencies in Toronto, Montreal, Hamilton and other large Canadian cities, will be broken up this season when they commence to unload contraband cargoes of humanity at the Niagara frontier, say United States government officials who are mustering their forces in Buffalo to stop the traffic.

Shirley D. Smith, for more than a score of years chief of the United States immigration authorities for the Niagara district, asserts his force of 150 experienced officers, all heavily armed, have been ordered to wipe out the business. Aiding the immigration officials will be the United States coastguard forces. Four 75-foot cruisers will be added to the equipment for work among the Niagara smuggling areas.

The smugglers' rates for bringing aliens into the United States from Canada average $75 for each. In some cases immigrants contract to pay smugglers as high as $500.

I should like the Minister of Labour to notice the statements contained in the foregoing despatch.

Mr. MURDOCK: Surely the article has no reference to Canadian citizens. It is not necessary for them to be smuggled across the line.

Mr. SUTHERLAND: Sometimes it is.

Mr. MEIGHEN: Some of the best of our immigrants.

Mr. SUTHERLAND: This article continues:

Aliens whom smugglers' agents "sign up" in Toronto are sent to rendezvous at the border. Under cover of darkness they are brought across the river or lake and dumped on American shores. Speedy power boats, rowboats and fishermen's craft are used by the bands of smugglers to transport cargoes of humanity.

Divers other methods of transporting immigrants are resorted to by the smugglers, who in years past have had things much to their favor because of the great shortage of United States officers to keep watch on American shores.

This year a force of special immigration patrolmen, armed with heavy pistols and sawed-off shotguns, will maintain day and night vigilance on the waterfront. Mr. Smith revealed that the added force, which went on duty two months ago, is large, but he refused to state the number of men. It is believed at least 50 men make up the special force.

Now surely my hon. friend, in face of this, will not argue that conditions in the United States are so bad as he would have this House believe and that people are coming back to this country in great numbers. We can recall that during the election campaign in the United States last fall the argument put up by the Republican party was that by reason of the tariff which they had established in that country it was necessary for them to adopt the quota law to keep people out of the country, on account of the high wages and abundance of work there for the unemployed of other countries; and on the contrary their opponents adopted the very opposite policy, the very policy we have in effect in this country at this time, which is responsible more than anything else for the conditions which prevail here. What is the use of voting money to increase the civil service and in many instances spending millions of dollars on an idle service? Here we are asked to vote a quarter of a million dollars under the head of civil government. For the outside service there is included in the estimates the sum of $750,000, making a total of a million dollars for officials in connection with our immigration service in this country. That is not all. We do not know how much money we are spending in that direction. I have here the report of the Canadian National Railways for the past year and it seems that they are even going to outdistance the government in this direction. I find the item here:

Industrial and immigration bureau, $770,454.

We have not any information as to what these people are doing. We must not ask for information but we have a right to know what this government is doing in regard to this matter. We are increasing the estimates in many instances, in this particular item there is no increase this year, but that does not tell the whole story. If you turn to page 21 of the Estimates, you will find that under the head of Immigration and Colonization the great bulk of the money which is to be voted is not for immigration purposes. I find an item of $250,000 for the British Empire exhibition. Last year the item was $450,000.

Mr. ROBB: My hon. friend will find on page 21 that there is a decrease of $708,000 in the estimates.

Mr. SUTHERLAND: But there is no decrease in the civil service. The amount under immigration for the outside service is exactly where it was, $750,000, and the amount for the inside service $250,000. That makes a total of a million dollars, but there is considerable reduction in other lines, where expenditure might tend to promote immigration to the country. If the policy of the government is carried out to its logical conclusion, it would put the whole population of the country under the control of the government and the civil service. You are eliminating competition among the people who are outside the service. You are fixing rates of labour and fixing salaries, and increasing the staff far beyond the requirements of the country in many directions.

I was not here the other night, but I observe that in the Department of Agriculture tremendous increases have been made. Hundreds of thousands of dollars are going out and no attempt to practise economy. If the government have any policy with regard to immigration, I think the people of the country ought to know it. If we cannot keep the people who are coming to this country, we ought to see that some remedy is provided, and that the conditions which prevent them remaining here are abolished. We know full well that we have lost hundreds of thousands of our people, native-born Canadians who have crossed the line and are residents of the United States. You may say that numbers of them are coming back. Well that is bound to be the case. We have much cheaper land in this country, and with the increase in the price of farm products which has taken place throughout the world recently, there is a natural tendency to look to the land for some return, which people are not able to obtain in the city. I think we have altogether too much nursing legislation. I do not believe that the government should look after every person who is out of employment in this country.

Mr. GARLAND (Bow River): How about the industries that are being nursed all the time at the expense of the people?

Mr. SUTHERLAND: We have some sickly looking industries.

Mr. GARLAND (Bow River): As a result of the nursing.

Mr. SUTHERLAND: No, not at all, as a result of the medicine that they have to take since the government my hon. friend supports took office.

Mr. GARLAND: (Bow River): What is the medicine?

Mr. SUTHERLAND: The medicine which is administered by the government which is supported by the hon. member for Bow River.

Mr. GARLAND (Bow River): I wish there was more of that medicine administered, then they might get well.

Mr. SUTHERLAND: There is no excuse and there is absolutely no justification for voting a quarter of a million dollars for the inside service and $750,000 for the outside service, in view of the results which are being attained under this heading of Immigration and Colonization.

Mr. McBRIDE: I was going to add a word to what the hon. Minister of Labour said in connection with unemployment. I have in my hand a clipping from a paper which says:

> Fourteen hundred men wanted to do harvest work on the prairies.
>
> Wages from four to five dollars a day.
>
> Still remain 150 men walking the streets of Winnipeg unemployed.

Does that look as if these people want to work? There is always a certain class of people who will not work, no matter what the conditions are. I am rather surprised this afternoon to hear some of my friends to my right speak on this question. One class of them says that the immigration is all going to the United States. The hon. member for Burrard (Mr. Clark) wants the government to put in force legislation to enable these people to come back. I think if the people are coming back to take up citizenship in Canada again to the extent that the hon. member for Burrard suggests, it speaks volumes for this government.

Mr. COOTE: I would like an opportunity of saying a word in reply to the Minister of Labour. There is a big difference between the month of December or January and the month of April. In April there is a good deal of work to do on the farm, but in the month of December and the month of January there are people who cannot get work particularly people who have just been brought into Canada by the government, who are not used to conditions in this country, not used to farm work and who find it more difficult to obtain employment. I have another editorial from the Calgary Herald, published in the month of January, from which I will quote one paragraph, as follows:

> The Dominion government's absolute refusal to have anything to do with unemployment relief is inexcusably harsh. Many of those requiring assistance can reasonably be described as wards of the Dominion government. They are newcomers recently brought to the country by the Ottawa authorities, men who have run upon hard times either through sickness or lack of work. The Ottawa government can not disclaim all responsibility towards these cases and it is amazing to find that the Minister of Labour, Mr. Murdock—who of all the cabinet ministers ought to have sympathy for workmen in the direst distress—is the chief advocate of resistance to the plea for Dominion help.
>
> The Mayor's appeal to Hon. Mr. Murdock has failed. The Trades and Labour Council might with propriety now add their appeal to the Minister of Labour in the effort to lessen the privation of the workless in the city.

I would point out that this editorial says as well:

> The provincial government is keeping the promise it made at the unemployment conference at Ottawa, which was to contribute 25 per cent of the labour cost of relief works carried on by municipalities. It is making additional grants to the Salvation Army and to the Board of Public Welfare here.

All that I am asking the government to do is this. If they are going to persist in their immigration efforts, they should agree to share with the municipalities the cost of looking after the hardships which necessarily accrue amongst newcomers during the winter months.

Mr. POWER: If the federal government should be obliged to look after the newcomers, why should we not look after our own citizens who have been good and honest citizens and are in distress? To carry the argument to its logical conclusion, why should we not establish the dole system? That is what my hon. friend has been driving at all afternoon.

Mr. COOTE: The hon. member has asked me quite a lengthy question.

Mr. POWER: It is a syllogism.

Mr. COOTE: The newcomers amongst the immigrants are here as a direct result of the action of this government.

Mr. POWER: Did this government ever advertise that they wanted dole-takers or paupers in this country? They said they wanted people who were willing to work. The hon. member has had it shown pretty conclusively by the Minister of Labour (Mr. Murdock) and the hon. member for Cariboo (Mr. McBride) that these men are unemployed because they will not work. We are not responsible for the loafers.

Mr. COOTE: The article quoted by the hon. member for Cariboo was, I think, dated in the month of September, and the article quoted by the Minister of Labour was dated in the month of April. Those conditions are not at all applicable in the months of December, January and February. My attitude to immigration is this, that the government should not spend one dollar in propaganda to bring immigrants into this country. I am told the United States, which has received more immigration than any other country in the world that I know of, has never spent one dollar on immigration propaganda. She has spent money on immigration to protect her from undesirables. In every province in Canada you will find a considerable number of undesirable immigrants. I think it might safely be said that some of them are not fit to work. As the Calgary Herald says, there are in the Keith sanitarium men suffering from tuberculosis who were immigrants and who had not been very long in Canada. Our immigration policy has fallen short in this regard. We have devoted our major efforts to propaganda to get immigrants here. We have devoted very little money or effort to examining the immigrants carefully. Possibly we have done more in that respect in the last few years. I believe this government are deserving of a certain amount of credit for having immigrants examined more carefully than has been done in former years. But if we do not spend any money on propaganda tending to induce immigrants to come to this country, we shall get the kind of immigrants who will make good. I would not attempt to keep out any man of the right nationality who is willing to come here of his own accord and who is willing to work.

Mr. POWER: Is it not mostly the men of the nationality the hon. member mentions who are here and who are always looking for doles, who, in his own words, are accustomed to doles in the Old Country?

Mr. COOTE: I have not mentioned the nationality.

Mr. POWER: I know what the hon. member means by the "right nationality."

Mr. COOTE: Possibly the hon. member does and possibly he does not. It is a mistake and a waste of money to assist immigrants. You get the wrong class when you do so. It is a wrong policy to pay passages to get people to this country. I hope my hon. friend will agree with that.

Mr. POWER: Absolutely.

Mr. COOTE: If he wants to know the nationalities that I do not like being brought here, let him read almost any number of the Canada Gazette and see the names of those who have been naturalized in the past month.

Mr. POWER: The kind my hon. friend wants do not happen to need naturalization.

Mr. COOTE: Yes, many of them would have to be naturalized. I think a majority of the immigrants we have in our western country had to be naturalized. I do not wish to dwell too much on the fact of a man's nationality. It is true there are certain nationalities that are not very desirable in this country. My hon. friends from British Columbia will agree with that. Let us quit spending money in advertising for immigrants. but let us all get together in trying to make conditions fit for our own people whom the hon. member for Quebec South (Mr. Power) mentions. Then we shall have immigrants knocking at the door trying to get in, the same as they do in the United States.

Mr. GRAHAM: We have spent half a day on this one item. I am afraid my prognostications about June 15 will have to be moved on about three months. Could we not allow this item of civil government to go through? This whole question can be discussed on different items of the department when its estimates are brought up again. We have gone over every phase of immigration. While we do not want to stop discussion, these estimates with items purely applicable to the immigration question will be up on another occasion. Can we not make some little progress? We close at six o'clock on Wednesdays. We might let one item through and take up the immigration question some other day.

Mr. GARLAND (Bow River): With respect to inspection of immigrants, I notice in the civil government estimates we have provision made for one supervisor and one assistant supervisor of juvenile immigration. Are there any others not mentioned in this department?

Mr. ROBB: There are others.

[Mr. Power.]

Mr. GARLAND (Bow River): How many are there and where are they located?

Mr. ROBB: There are six inspectors of British immigrant children. They are all in Ottawa but they travel. I will get any other information my hon. friend desires if he will put his question now so that it will appear in Hansard.

Mr. GARLAND (Bow River): What I want to know is this: How many supervisors or inspectors of juvenile immigrants does this government support? Where are they located, what areas do they cover, what duties do they perform, and how frequently do they inspect the homes of immigrant children?

Mr. ROBB: I will get that.

Mr. SUTHERLAND: The request of the Minister of Railways (Mr. Graham) with regard to this item would under ordinary circumstances be a reasonable one; were it any other item I do not think there would be a disposition to discuss it at length. But, seeing that the Canadian National Railway board is apparently taking over the work; also that more than double the amount was spent in 1924 that was spent in 1923; and that we do not know how much has been spent in the past year or how much they propose to spend in the coming year, I think the matter is one that should be carefully considered. If they are to do the work formerly carried on by the department, what is the necessity for this $250,000 under the head of civil government? If it is the policy of the government to transfer the service there should be some reduction in this item. I do not think there is justification for maintaining such an enormous staff in connection with this work.

Mr. ROBB: The staff is not greater but, indeed, less than it was some years ago. I shall be glad to discuss this feature of the situation when we are on the outside vote. The Department of Immigration has nothing to do with the Canadian National Railways, who, I fancy, have land to sell through the Canadian Northern, and are looking after their business just as the Canadian Pacific is doing. The Canadian Pacific Railway has done a good deal of pioneering in this direction; we must not forget that. It has a much larger organization than the Canadian National Railways, and the department must play fair as between the Canadian Pacific and the Canadian National. I am not now entering on any defence of the Canadian National; the minister can do that. But this depart-

ment is not working particularly for the Canadian National Railways; we must show no discrimination as between the railways that bring people to the country.

Mr. MEIGHEN: The moment seems opportune to put in a remark as to the duplication that exists in the immigration service. It is entirely true, as the minister says, that the Canadian Pacific Railway has done a lot in the way of propaganda. That is all right; and the Canadian Pacific did it mainly when it had a lot of lands to sell, and for the purpose of settling people on those lands. But is it not surely the height of folly for us to have in this country two—yes, three—immigration services covering large sections of the globe at a tremendous expense? This is the worst possible form of duplication. The Canadian Northern, I know, has some lands to sell; but it sold more lands when its colonization service was run at a cost of $100,000 than it is selling to-day at a cost of $750,000. It built a great colonization service, competing with the services of the Dominion and the Canadian Pacific. Now, this Dominion cannot stand any competition of that sort. Here we have a three-headed monster piling taxes on our backs. I do not know why the Canadian Northern ever launched out into such extensive propaganda; and certainly some steps should have been taken before it was too late either to have the Dominion government withdraw from the field in favour of the Canadian Northern, or to have the Canadian Northern maintain the service it was carrying on without seeking to expand it to the inordinate proportions it has now reached.

Mr. ROBB: I agree with what my hon. friend has said, but he will be glad to know that the department has been co-operating with the representatives of the railways in an endeavour to reduce the overlapping.

Mr. MEIGHEN: It should never have been allowed to take place.

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

Friday, May 22, 1925

The House met at three o'clock.

BANKING AND COMMERCE COMMITTEE

AGRICULTURAL CREDITS

Mr. THOMAS VIEN (Lotbiniere) presented the fifth report of the select standing committee on Banking and Commerce, as follows:

Whereas the subject of rural credit was referred to this committee for further consideration; and

Whereas the Banking and Commerce committee of the year 1924 in its investigation into questions of credit reported that it found a lack of credit facilities for farmers at rates, and upon terms, suited to agriculture and upon conditions such as obtain in competing countries; and

Whereas it is essential to deal with the serious condition of agriculture consequent thereon:

Therefore be it resolved, that the attention of the government be called again to this important matter, with the urgent request that legislation be brought down at this session for the establishment of an adequate rural credit system.

RESIGNATION OF THE SOLICITOR GENERAL

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): It is my duty to inform the House of the resignation from the ministry of the Solicitor General (Mr. McMurray). The following communications will give to the House the reasons which have caused the Solicitor General to tender his resignation and His Excellency to accept it:

Office of the Solicitor General of Canada
Ottawa, May 20th, 1925.

Dear Premier King:

Matters of a professional and private nature induce me, after careful consideration, to tender you my resignation from your government.

In asking you to accept my resignation permit me to express my thanks for being honored with the appointment of Solicitor General and a seat at your Council Board; also accept my deep appreciation for many personal acts of courtesy and kindness.

I avail myself of the opportunity to express my deep regret in disassociating myself from your self and colleagues with whom I had such cordial relationship.

May I urge for reasons above recited that I be relieved from my duties as a member of the government and as Solicitor General at as early a date as possible.

Sincerely yours,

E. J. McMURRAY.

My reply was as follows:

Prime Minister's Office
Canada
Ottawa, May 21, 1925.

My dear McMURRAY:

It is with sincere regret that I have received your letter of yesterday stating that, owing to matters of a professional and private nature, you wish to be relieved from your duties as a member of the government and as Solicitor General at as early a date as possible.

Your letter confirms the representations you have already made to me in conversation. Were it not that the reasons which impel you to desire to be relieved of your present public responsibilities are of the character to which you refer, and that we have already talked the matter over very fully, I should be most unwilling to have you sever your connection with the government. I realize, however, from what you have said to me, how considerable in many ways are the sacrifices, both professional and personal you have made in placing your time and abilities so exclusively at the service of the public. In the circumstances I have felt I had no

alternative but to meet your wishes, and have accordingly tendered your resignation to His Excellency.

I have read your letter to the other members of the government and they desire to join with me in expressing our united regret at your withdrawal from the ministry. May I be permitted to add my own very grateful appreciation of your loyal and helpful co-operation in the work of the administration ever since you became a member of it, and of the enjoyment of the closer personal relations which this association has afforded.

Yours very sincerely,

W. L. MACKENZIE KING.

Hon. E. J. McMURRAY, M.P.,
House of Commons.

MARINE INSURANCE RATES

On the Orders of the Day:

Mr. MURRAY MacLAREN (St. John City and Counties of St. John and Albert): Might I ask the Prime Minister if the government have received a report from the Imperial Shipping committee dealing with marine insurance as affecting Canada, and if so, will he state to the House in a general way the terms of that report.

Right Hon. W. L. MACKENZIE KING (Prime Minister): A report has been received dealing with the subject to which my hon. friend has referred. I shall look over it and unless there is some special reason for regarding it as confidential at this stage I will lay it on the table of the House at the next sitting.

ALLEGED AGREEMENT BETWEEN GOVERNMENT AND THE BREWERS

On the Orders of the Day:

Mr. R. J. WOODS (Dufferin): I would like to draw the attention of the government to a paragraph in the Toronto Globe of yesterday in which the president of the London Methodist conference is reported to have spoken as follows:

> Then, while our minds are upon the topic, we read in the press that brewers owe the federal government thousands of dollars, and as an explanation of this we read further that the government and the brewers have a gentlemen's agreement, which reads more like a rogues' agreement, whereby for money to be paid by the brewers to the federal government the latter will make certain concessions in filing the clearance papers of liquor presumably for export.

I should like to ask the government if that report is correct.

Mr. MACKENZIE KING: Perhaps the gentleman who has made the reference to a so-called "gentleman's agreement" would indicate to my hon. friend the source of his information, and supply him with a copy of the agreement. The government will then be prepared to answer my hon. friend's question.

[Mr. Mackenzie King.]

WEDNESDAY EVENING SITTINGS

On the Orders of the Day:

Mr. R. A. HOEY (Springfield): I should like to ask the Prime Minister if the government has seriously considered the advisability of making provision for Wednesday evening sittings, in view of the legislation that is yet to be brought down?

Mr. MACKENZIE KING: It is not the intention of the government to have the House sit on Wednesday of next week, but on subsequent Wednesdays we will ask the House to meet in the evening.

TIBURCE MALLET

Mr. DOUCET (Translation): Mr. Speaker, on March 16, last, the House ordered a Return showing all correspondence exchanged between the Department of Marine and Fisheries and others, regarding services rendered in saving lives, by one Tiburce Mallet, of Ste. Marie, Shippigan Island, New Brunswick. I would like to ask the hon. Minister of Marine and Fisheries when this correspondence will be brought down.

Mr. CARDIN (Translation): Mr. Speaker, I can assure the hon. member that this correspondence will be brought down without delay.

SUPPLY

PUBLIC WORKS

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

Public Works—chargeable to income—harbours and rivers—Ontario, $1,215,875.

The CHAIRMAN: Is it the pleasure of the committee to take up the appropriations in this vote item by item?

Mr. MEIGHEN: Item by item.

Beaumaris—repairs to wharf, $1,000.

Hon. J. H. KING (Minister of Public Works): I think if hon. members will glance over the list of items that go to make up the total of this vote, they will see that these items are largely for repairs and replacements or improvements. There is an increase this year in the vote over last year. That is largely made up of three or four items, namely, the harbour of Goderich where there is an increase of something like $80,000 over last year; the harbour of Oshawa, where there is a new work that was approved of by parliament in a vote last year; and the work at Port Maitland. Port Maitland was formerly under the control of the Department of Railways and Canals, but it has been transferred to the Public Works department. The work

being done there is necessary to maintain the harbour. Finally there is Port Stanley; there is also an increase under this head, but the work to be done there is essential.

Mr. MEIGHEN: What are all these for? Are they new votes, or are they simply the ordinary "pork-barrel" votes?

Mr. KING (Kootenay): I made the statement just a moment ago that I thought members in glancing down the list would find the items to be largely for improvements of harbours, or replacements and repairs. As we go on, that statement will be found to be correct. The first item is a small amount of $1,000 for repairs to a structure on lake Muskoka, which is used largely during the tourist season. The larger ships using the wharf are those owned by the Muskoka Lake Navigation and Hotel Company, the Archer Lines Lake Service Company and the Muskoka Lake Navigation Company. These boats not only serve the local people but provide connection with the National and Canadian Pacific Railways.

Item agreed to.

Blind River—dredging, $47,000.

Mr. GARLAND (Bow River): There is an increase here of $25,000.

Mr. KING (Kootenay): This amount is required to complete a contract for dredging entered into in 1924-25. The contract which was awarded to Messrs. A. B. McLean and Sons, is for the dredging of a channel 9,260 feet in length, and 150 feet wide, to a depth of 16 feet. The contract was made late in the fall, and we are asking this year for a vote of $47,000, of which $22,000 is a revote. The amount is required to complete the contract.

Mr. GARLAND (Bow River): Could the minister tell us when the work was first commenced on this river, and what the total expenditure has been up to date?

Mr. KING (Kootenay): Yes. There has been construction work done there amounting to $48,855.86, repair work amounting to $4,843.41, and dredging amounting to $60,019.91.

Mr. GARLAND (Bow River): Sixty thousand dollars

Mr. KING (Kootenay): Yes, for dredging.

Mr. CRERAR: Where is Blind River

Mr. KING (Kootenay): In East Algoma.

Mr. LEWIS: I notice that the item says there is a revote of $22,000.

Mr. KING (Kootenay): Yes.

Mr. LEWIS: The only amount down for Blind River is "wharf reconstruction, $10,000."

Mr. KING (Kootenay): There was a supplementary vote last year of $25,000.

Mr. CRERAR: Could the minister give the committee some information as to what is sought to be achieved by this expenditure?

Mr. KING (Kootenay): Blind River is principally a lumbering town; large lumbering operations are carred on there. Its population is about 1,500, and its shipments by water consist of 20,000,000 feet board measure of pine lumber per annum, and the import of about 600 tons of general merchandise. Shipments were treble this quantity, and this factor of the waterborne commerce of the place will undoubtedly revive. About 200 tons of fish are landed at the government wharf and shipped to eastern points by the Canadian Pacific Railway.

Mr. BOYS: What causes such a large expenditure for dredging there? I would have thought there was deep water at Blind River, and a pretty good harbour.

Mr. KING (Kootenay): The engineer's report says:

> Its object is to provide a safe channel for boats leaving the wharves of McFadden Limited, with cargoes of lumber, with a depth of 16 feet below mean low water or elevation 580 feet above the sea level, which is the standard improvement plane used on other dredging improvements in this district. The foreshore is comparatively shallow owing to the existence of a large deposit of sand known as the Blind River bank, which stretches easterly from the mouth of the Mississauga river to a point near Algoma mills a distance of about 10 miles and extends into the lake for an average distance of about 2 miles. The greater portion of it is from 12 to 15 feet deep, and its outer margin slopes quickly to deep water. The channel opposite Blind River through this bank is about 7,000 feet long by 150 feet wide.

That is a channel we are making through the bank.

Mr. BOYS: How has the channel been protected there?

Mr. KING (Kootenay): No protection has been provided.

Mr. BOYS: Is it not the experience that the channel fills in every year?

Mr. KING (Kootenay): Not every year.

Mr. BOYS: What depth of water is there six hundred feet out?

Mr. KING (Kootenay): You go out seven thousand feet to the banks, and then you get deep water.

Mr. BOYS: Is it seven thousand feet from the mouth of the lake before you get into deep water?

Mr. KING (Kootenay): No. These banks form out in the lake, as explained in the statement I have just read.

Mr. BOYS: A "bank" means something out of the water. Is this out of the water? Is it sand that drifts out of the river and is deposited? Surely you do not have to go through seven thousand feet in a channel, a hundred and fifty feet wide.

Mr. KING (Kootenay): Banks are forming in lakes and rivers, and in the course of time they come to the surface. It is not an unusual thing in these harbours that a drift from the river or lake forms this deposit. I am informed the bank is about thirteen feet below the surface and the depth is supposed to go to sixteen feet—

Mr. BOYS: At the shallowest point you have thirteen feet?

Mr. KING (Kootenay): Yes.

Mr. BOYS: Is there anything on file to show whether or not the engineer considered piers were necessary for protection from the drifting of sand?

Mr. KING (Kootenay): No, the engineers have not reported on that. The last dredging was done in 1913 and the channel has been maintained more or less since. It is probably considered cheaper to dredge under those conditions.

Mr. SIMPSON: Is this work considered necessary on account of the lowering of the water rather than on account of the drifting of the sand?

Mr. KING (Kootenay): Yes, that is the fact.

Mr. MEIGHEN: How is it there is a re-christening of the vote? It appeared first in 1922, in the first estimate the government brought down in that year, and it was called "wharf reconstruction." In the estimates of 1923, for the year 1924, it retained that name. The wharf was still being reconstructed. At the time of the 1925 estimates the wharf was not reconstructed and $10,000 more was put in to do the work; but in the supplementary estimates $13,000 more was added to get that wharf reconstructed. Then in 1926 the minister has taken it into his family under a new title, has christened it "dredging" and has raised the vote this year to $47,000. What is the reason? Was it feared by the government that if they put in a dredging vote in the first place, other members would want dredging in their constituencies also, and the government wanted to keep the estimates all looking like repairs and reconstruction?

Mr. KING (Kootenay): My hon. friend knows that is not right.

Mr. MEIGHEN: He does not know it yet.

Mr. KING (Kootenay): The item must show specifically what the work is for. It is for reconstruction of the wharf, and that work continued during 1923 and 1924. If the item were for dredging the Auditor General would not for a moment consider it as reconstruction or wharf construction. They are two distinct votes.

Mr. MEIGHEN: Why is it that this was called "wharf reconstruction" last year, as appears on page 39 of the Estimates of 1924, an amount of $21,000? In 1923 the same item was voted for wharf reconstruction. This year, as I say, $47,000 is voted for dredging which, it is stated, corresponds with the amount voted last year for the same work.

Mr. KING (Kootenay): That was dredging.

Mr. MEIGHEN: No, it is dredging this year.

Mr. KING (Kootenay): And dredging last year.

Mr. MEIGHEN: Then it should have been called dredging.

Mr. KING (Kootenay): I thought it was. I am surprised at that.

Mr. MEIGHEN: Look at page 40 of the Estimates of last year. It still had the old name, "Wharf reconstruction," and what was wharf reconstruction last year is not a new work, but it is called "dredging" this year. When did the transition take place, and why was it not put under the proper heading at that time?

Mr. KING (Kootenay): I am surprised that it is so. I have not the estimates of last year before me, but it should have been "dredging," that was the intention.

Mr. MEIGHEN: I will send a copy of last year's Estimates across to my hon. friend. This was wharf construction last year the same as the year before.

Mr. LEWIS: In the supplementary estimates you will find for Blind River the item,

Dredging $25,000; so that it must have been changed when it came in the supplementaries.

Mr. MEIGHEN: In the supplementaries last year the vote was $25,000, and then we voted last year Reconstruction, $10,000; so that we had a total vote of $35,000 last year.

Mr. KING (Kootenay): I think that explains the situation. The vote in the supplementaries is for dredging that is being continued this year.

Mr. MEIGHEN: How much has been spent on the wharf?

Mr. KING (Kootenay): Construction expenses, $48,000; repairs, $4,000, and dredging, some $60,000, making a total of about $113,000.

Mr. GARLAND (Bow River): In what year was the work started and what was the nature of the work in the first year?

Mr. KING (Kootenay): This goes back many years. I have a description of a warehouse built in 1905, and in 1908, due to heavy traffic resulting in an increased number of activities, an extension was made to the warehouse. I imagine the record goes back further than that. I have not the record here; it would be in the department.

Mr. GARLAND (Bow River): When was it found necessary to commence dredging?

Mr. KING (Kootenay): The last dredging prior to this was done in 1913. I imagine there has been dredging there from time to time for many years.

Mr. GARLAND (Bow River): Surely the engineers could give the minister some idea just how permanent an undertaking this dredging is to be, and whether it will be necessary to dredge every year?

Mr. KING (Kootenay): The last dredging was done in 1913. We now find it necessary to remove certain debris. That is not a bad record for a harbour on the lakes.

Mr. GARLAND (Bow River): How much was voted in 1913 for dredging?

Mr. KING (Kootenay): There was an authorization by order in council of a contract to a company to remove 57,197 cubic yards in 1912 and 17,480 cubic yards in 1913.

Mr. CRERAR: What company?

Mr. KING (Kootenay): The C. S. Boone Dredging and Construction Company, of Toronto.

Mr. GARLAND (Bow River): What was the cost?

Mr. KING (Kootenay): I have not the cost here.

Mr. GARLAND (Bow River): It is rather difficult to come to any conclusion as the minister's information is rather vague. Although he claims that no dredging was necessary from 1913 until last year, $25,000 was voted last year for dredging, and the minister this year asks for a vote of $47,000 additional for dredging. The dredging business seems to be looking up. How long are we going to have to continue this expenditure?

Mr. KING (Kootenay): My hon. friend is not quite right. Last year $25,000 was voted. The estimates were late in being passed and a contract was not entered into until late in the fall. Of the amount voted last year $3,000 has been expended. This year we are asking for $47,000, of which $22,000 is a revote, money unexpended last year.

Mr. GARLAND (Bow River): Even at that, how long are we going to have to vote $50,000—for $3,000 last year and $47,000 this year make $50,000. Is this to be a permanent annual vote, or shall we have to have another election before we have another vote?

Mr. KING (Kootenay): It is hoped this amount will clean up the contract. It is not an annual affair.

Mr. GARDINER: Is the dredging to be done by contract or by the departmental engineers?

Mr. KING (Kootenay): By contract.

Mr. GARDINER: What is the name of the contractor, and the total amount?

Mr. CARRUTHERS: The vote should have been asked several years ago for the dredging of this channel. Lumber boats have been coming out of there for the last four years drawing only about eleven or twelve feet of water when they should be loaded to sixteen feet. This has increased the cost of carriage very much. I can warn the government and the House that, owing to the rapid lowering of lake levels, dredging on the Great Lakes within a very few years is going to be something enormous. This is only a sample of what you are going to get. The lake at that point is some three and a half to four feet lower than it was five or six years ago. In order to make a fund for expenditures of this nature, I would be in favour of going back to the old system of charges: canal tolls, harbour dues and dock dues. I do

not see why the steamboat men have any right to use the lakes as they are doing now any more than the railway companies would expect the government to build a railway and then allow them to run their trains over it. As regards this port, if you are going to carry on the trade of this country, you will have to do some of this dredging. The old warehouse on the dock was blown down some five or six months ago, and the next item is to cover reconstruction of that warehouse.

Mr. KING (Kootenay): The contract was entered into, October 9, 1924, with A. B. McLean and Sons, Sault Ste. Marie. There were two tenders, the lowest being that of Messrs. McLean at 48 cents per cubic yard, place measurement. The other tender was 75 cents.

Mr. GARDINER: How does the price accepted compare with work done by the department?

Mr. KING (Kootenay): The cost of work varies in different localities on account of the material, but usually departmental work is on a par with that done by a contractor. We do not figure on a profit or interest or depreciation of plant as the contractor must do.

Mr. GARDINER: Was it not possible to use the departmental dredge in this case?

Mr. KING (Kootenay): No. We have not the plant available for it.

Mr. LEWIS: Does the government receive any fees for all these numerous works involving an expenditure of millions of dollars? It is unfortunate that any government ever started such a system. The people who use these rivers and have the advantages of the wharves and warehouses, are just as much under obligation to pay for them as the farmers in the west are under obligation to build elevators. Moreover, this House demands that there shall be sufficient traffic before branch lines are built. I would be in favour of abolishing these votes altogether. The present system takes up a great deal of the time of this House; it involves the government in millions of expenditure; and nobody gets anything.

Mr. KING (Kootenay): No changes have been made in government policy in connection with the water channels. In the matter of warehousing and wharf privileges, at the larger centres fees are charged but in the smaller localities it would not pay to keep a wharfinger to collect fees, so the people use the wharves there free.

[Mr. Carruthers.]

Mr. GOULD: I take it that the minister has a complete statement from the engineer as to the amount of money that will be required to complete the dredging in this harbour.

Mr. KING (Kootenay): It is proposed to remove 90,000 cubic yards of fine drift sand at an estimated cost of $43,200, and there will be an allowance for inspection and contingencies.

Mr. GOULD: What will be the depth of the dredging?

Mr. KING (Kootenay): Sixteen feet.

Mr. CARROLL: I have no personal interest in this vote, nor have I any personal knowledge regarding the conditions. I want to point out however that a great deal of the emigration from this country to-day is due to the fact that the people in the small localities have not the requirements they should have, especially on the lakes and rivers and on our coasts. The fact is that they are not receiving justice in the matter of public works. We talk about emigration from Canada, and we are spending millions of dollars to bring people into the country. Well, I can take hon. gentlemen down to the Maritime provinces and show them there a state of affairs that would sufficiently answer the remarks that have been made about all these votes being cut out. On the shores of the Atlantic and of the gulf of St. Lawrence there are deso'ate villages, from which have emigrated people whose fathers, grandfathers and great-grandfathers had lived there since this country was first opened up. They have gone away simply because this and previous governments have not done them justice; they have not been able to secure the improvements which they badly needed. There is one place in particular where two years ago, because this government and past governments as well would not do something in the way of protecting the boats of the fishermen, twenty-five families found it necessary to clear out. These people all left in the fall of 1923, removing to Gloucester in order to make a living. And there are various other places in the Maritime provinces where the same thing has taken place. We are spending millions of dollars on our great ocean terminals, and rightly so; no one will criticize expenditures of that nature. And we are also faced with a deficit of some $50,000,000 or so in connection with our railways. It is clear therefore that we are not stinting on any of these expenditures. This deficit is due in part to

the low grain rates which we give in the west, while the people of the east are also demanding lower freight rates for their lumber. Now, this is all very well; but why should we not extend some consideration to the small hamlet as well? I do not care how small a village may be, the people who have been born and brought up there are better qualified and in every way better adapted to make a living there than anybody we could bring from Europe or elsewhere. And these people have their rights. I should like to see not only the public works of the country but the postal service as well extend in every way possible the facilities for making life a little more comfortable in the rural communities, especially on our harbours, rivers, lakes and sea coasts.

Mr. MEIGHEN: I would receive with very much sympathy the remarks of the hon. member (Mr. Carroll), but the question here is not as to any hamlet in Nova Scotia or anywhere else, or any small settlement at all. When one makes improvements on the Atlantic coast the thing is done, and no draining of water will render the work futile. But according to the hon. member (Mr. Carruthers), who represents the riding in question, this is only the initiation of a tremendously vast expenditure at this and other points, due to a lowering of the lakes. If he is right, then I would presume that we might as well entitle this, "A vote to provide water facilities for the city of Chicago"; that is about what it is. Really, the thing is becoming appalling. I listened with amazement to the words of the hon. member, and I do not know that he has exaggerated the situation at all; it seems to me, in view of late events, that the path that confronts us is pretty nearly untraversable. We might as well therefore sit around a table and see whether we intend to start or not. If we have to continue lowering our canals, improving our docks, and dredging our rivers and lakes even, year after year, at an expenditure of untold millions, the show-down might as well come first as last. I was going to ask, before the hon. member rose, how these people got along before we started an expenditure which has now reached $113,000 and which, with this money now voted, will be $160,000 odd. Of course, the water now is lower than it has ever been. This water which is going to furnish power for the people to the south of us comes out of lakes that are the common property of both the United States and Canada, lakes from which neither has the right to divert any water at all. Has the government really considered the wisdom of calling a halt to all this type of expenditure in order that there might be an object lesson to the world at large as to just what this country is suffering?

Mr. POWER: Is this Satan rebuking sin?

Mr. CARRUTHERS: We might as well tie up the whole trade of the country.

Mr. MEIGHEN: Well, we are tying it up fast as it is, when we start on an expenditure such as is foreshadowed, not only on this particular item but over the whole area. As to "Satan rebuking sin," I do not know what the pertinence of the interruption is. The hon. member is usually very pertinent.

Mr. POWER: I do not mean to imply that the hon. gentleman has any relation to Satan, but I would say that when in power he did not stop to reflect on what this country was coming to; he did not stop to go into all these expenditures; he did not insist that we should have the greatest possible economy in public works of this kind. I do not know why he should rebuke this government when it is only carrying on the works he carried on himself.

Mr. MEIGHEN: The hon. member woke up a little late; he missed entirely what I was saying. However, I do not intend to rebuke either Satan or sin when I extend a generous forgiveness. What I was talking about was the wisdom of bringing to a head the controversy over the Chicago canal, because this matter has a distinct relation to it. The question is, how long are we going to proceed along the path we are trying to travel now? I have no doubt that what the hon. member suggests is right; this $160,000 is a mere bagatelle, only a small instalment. But what is the expenditure going to be on the St. Lawrence, at the Sault and at many other points in Canada, when we are asked to repeat in multiplied form what we are doing now?

Mr. CARRUTHERS: I would refer the leader of the opposition (Mr. Meighen) to the dock built in our town during his administration at a cost of between $50,000 and $60,000, and which was needed. It was finished some six years ago. The contract called for cement eighteen inches below the water line before any construction took place on the timbers, and at the present time the timbers below that expensive structure are exposed about a foot and a half. This means that within a very few years that expensive

dock will crumble; the timbers will rot and the whole thing will be an entire loss.

Mr. MANION: I am sure we all sympathize with the feelings of my hon. friend (Mr. Carroll) for his people in Nova Scotia, just as we all sympathize with the people on the Great Lakes who require expenditures to give them proper navigation facilities. I have been thinking very seriously that it is the duty of the government—and I am not specially criticizing this government, because, as was remarked by the member for Quebec South (Mr. Power), all past governments have expended money on public works—it is the duty of this government, or of the government that succeeds it, to cut out many millions of dollars that are now being expended on various kinds of public works. It may be retorted that a good deal of money has been spent at the head of the lakes, and I admit it.

Mr. KING (Kootenay): And more will be required.

Mr. MANION: Yes; but it was spent there of course for the benefit of the country generally. It would be a very good object lesson to our people in the practice of economy if every possible curtailment of expenditure could be effected, even at the risk to a certain extent of injuring some of our public works already constructed. To-day Canada is suffering from a very heavy burden of taxation, and I believe we need a striking object lesson not only in regard to economy in Dominion expenditure but economy in provincial and municipal expenditure. Out through the western country in many cities, including my own, there has been a determined attempt not to incur further expenditure on public works of any kind for some years to come. As a consequence, in my city the tax rate has been cut down by several mills. I believe the tax rate of the country generally could also be cut down substantially if we made up our minds absolutely to refrain from embarking on new public works that are not absolutely needed, and I would include my own city in this respect, because while there is room for a larger development of the harbours at the head of the lakes, and in the years to come this development will have to be undertaken, yet for the present I believe that enough work has been done there for the public services to be carried on very satisfactorily for a considerable time. I believe the general rule laid down by the previous government has been lived up to by this government in dealing with requests for new post office buildings, and I think this rule should be applied to all classes of public works except such as are absolutely necessary. With regard to new post office buildings, I have had requests for a couple in my riding, but I pointed out that post offices were not being built in other sections of the country, and as a result I got very little complaint from my constituents, although of course they repeated their requests. I sympathize with this government as I did with its predecessors, who took the attitude that unnecessary expenditure of that kind should not be undertaken. I think it will be well worth while for the minister and the government to very seriously consider this proposition in the interest of the country generally. I am not offering my proposal for drastic economy in any spirit of criticism of the government, because I admit it is trying to live up to the rule laid down by the preceding administration, but our taxation has become so heavy and conditions generally are so depressed throughout the country that I believe it is the duty of every member to impress on the government the urgent necessity of drastic economy in public expenditures wherever this is possible without affecting service to the public.

Mr. KING (Kootenay): Mr. Chairman, I think it is only fair to the department and to the government to call to the attention of the House and of the country the fact that since taking office we have refrained from starting any new public works. It is true we found certain expenditures were contracted for by the late government, and it was neither wise nor possible for us to cancel those contracts. Generally speaking, this department has simply been trying to hold together our public works, keeping them in repair. This is borne out when I advise the House in 1913-14 the late government appropriated $48,819,000 for public works; in 1914-15, the first year of the war, $47,154,000; in 1915-16, the second year of the war, $34,599,000; in 1916-17, the third year of the war, $30,828,000; and in 1917-18, the last year of the war, $20,914,000; in 1920-21, their last year of office, $22,680,000; and in 1921-22 their estimate was $20,609,000. The first year we came into office we appropriated for public works $16,784,000; and last year, 1923-24, $20,067,000, of which we expended $16,591,000. I think it may be fairly claimed that my hon. friend's argument has been fully met. It has been the policy of the department to curtail expenditures wherever possible. In studying the figures I have given it should be kept in mind that the value of

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the dollar in recent years is very much less than it was in 1914, and probably for the $16,000,000 we expended last year an equivalent amount of work could have been done for less than $12,000,000 in 1913, the cost of material and of wages having increased very largely since the war.

In regard to expenditure on public buildings, I do not take the gloomy view which to-day is so customary among hon. members opposite. I do not believe that Canada should board up her windows and cease expending money in the public interest. Considering the cry we hear from my hon. friends on the other side that the government should undertake relief works for the unemployed, I am not sure that it would not be a wise policy for us to expend some public money through the proper channels that would probably to some extent relieve unemployment. At any rate, that I believe is the course we should adopt rather than spend money on doles, as has been suggested.

Mr. CARROLL: Has the government erected any new public buildings since they took office?

Mr. KING (Kootenay): Yes, a few have been built and others are under construction.

Mr. GARLAND (Bow River): Did the minister say he thought it good policy to keep on spending money on public works in order to help unemployment?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): One would infer that from his remarks.

Mr. KING (Kootenay): No. I said if, as some members have been suggesting, the government should spend public moneys to relieve unemployment, this would be the way—in constructing useful public works.

Mr. MANION: Mr. Chairman, I was very careful to point out to the Minister that I was not specially criticizing the government, but apparently he reached the conclusion that I was doing so. I assure him I was not. I usually make it very clear when I am, but on this occasion I was not. I was condemning past governments as well as the present government, and I would condemn future governments if they took the same course. While I admit there has been some cutting down in expenditures of this kind, the cutting down, to my mind at least, has not been to the extent that there should be. I know the pressure the minister is under; I doubt whether any minister of the government is under such great political and sectional pressure to get work done as the Minister of Public Works. I know that very well because my own section has pressed very heavily at times, and sometimes has got what it has pressed for. But I say that as a general principle, in view of the heavy burden of taxation, we should carry out, so far as we can in this country, the same policy in regard to these public works as we have had in the last few years with regard to post offices.

With regard to boarding up the windows of Canada, there is a great tendency on the part of hon. gentlemen opposite, if any of us even suggest the conditions that exist, to retort that we are proposing to board up the windows of Canada. I do not take a back seat to the minister in my optimism regarding the ultimate destiny of this country, but I do in regard to the ultimate destiny of this country if this government goes on handling public affairs very much longer.

Mr. MOTHERWELL: Better get used to it.

Mr. MANION: I do not think I will have to be used to my hon. friend very much longer. In regard to Canada's future, I am as optimistic as any man in this House, but I think it is a strange kind of optimism that refuses to look in the face the conditions which are before every member of this House and everybody in this country, and I would advise the minister to go out into the highways and byways, as some of us not in the ministry have more time to do than he has, and ask the businessmen and the workmen how conditions are; and then if he can come back here and be as optimistic as he and some of his friends pretend they are, I shall be very much surprised.

Mr. MALCOLM: It is quite true, as the hon. member for East Algoma says, that the lake levels are down practically three and a half feet from the high point of eight years ago, but the assumption that the lowering of lake levels is entirely due to the diversion of water at Chicago is an incorrect assumption. The right hon. leader of the opposition makes a plea that we should call a halt, put the cards on the table and find out if this is going to go on. The fact is, and I want the House to realize this, that we have had almost as low water in the Great Lakes before, and the engineers on both sides of the line do not attribute over nine or ten inches of the lowering of the level of the Great Lakes to the Chicago diversion. The fact remains, however, that dredging that was sufficient two years ago is not sufficient to-day because there has been a lowering, and

hon. members from the west must realize that if rates on grain from that very important district represented by my hon. friend from Fort William and Rainy River (Mr. Manion) are to be satisfactory, we have to give one hundred per cent carriage to the vessels, which we have not got to-day. All the heavy carriers of grain went through the Soo locks last year loaded to only eighty per cent capacity. The lightship at Sarnia was moved a half mile further out last year, and still boats with a draught of twenty feet bumped at that. The minister is faced with a problem. A great many of my friends from the west wish to see their grain carried on the Great Lakes, as far as possible, but that can never be done if the channel does not permit of one hundred per cent capacity carriage.

Mr. hon. friend from Fort William and Rainy River, in making allowances for the government, suggested that pressure was always heavy on the Minister of Public Works. As the representative of a riding with a continuous coast line and a lot of small harbours, where rail communication is not a factor, where the harbour is the only way out for the fisherman and the farmer, I want to say to this House that I know many members on this side have gone to the minister and asked him not to spend all the money that was recommended by the engineering staff. I think members of this House have assisted the Minister of Public Works in his desire not to have too great an expenditure this year. I know it was my pleasure to draw a pencil through two or three recommendations myself, and I think that condition is more general than hon. members from the west realize.

Public works in the Dominion of Canada, on the waterways are a good deal more important than some of us realize. First, there is the movement of our tonnage of grain eastward. Second, there is the moving of coal and general merchandise to the head of the lakes. If you remove, as one of my hon. friends has suggested, this water competition, I do not know what railway rates we are going to have, because water competition has governed railway rates to a very great extent.

There is another respect in which the Great Lakes are important, and it is one which I think should not be lost sight of. Our tourist trade in the central part of this country, as has been pointed out by my hon. friend from Muskoka (Mr. Hammell) on different occasions, is becoming a very important trade, and it might be interesting to some of my friends to know that at one small point in my riding where we had to spend only eight hundred or a thousand dollars last year on dredging, there are families who have come to occupy 500 cottages. A summer population of 3,000 has sprung up in this district on lake Huron, and a very considerable amount of American money is left at this point. One of the greatest assets we have to offset the money that Canadians spend in the United States is the asset we have in our Great Lakes and in our summer places, where some of that money is got back; and if the actual cash returns could be compiled from these small expenditures—which would be very difficult—I think my hon. friends would not have very much criticism to make of these expenditures.

Mr. LEWIS: It may be true as stated by the hon. member (Mr. Malcolm) that certain members on the other side of the House have been to the minister and have drawn a pencil through certain items of proposed expenditure, but the fact remains that if you compare the main vote this year with the main vote last year you will find there has been an increase of a hundred per cent. The supplementaries for this year are not yet down and, therefore, we do not know what the final result will be. How much greater it would have been if some hon. gentlemen opposite had not drawn a pencil through a few of the items, it is very difficult to know.

My hon. friend (Mr. Carroll) said that he could take me to hundreds of little villages that have been depleted as the result of the government not making proper provision to look after these people. All I wish to say in reply is that year by year we are asked to spend millions of dollars in Canada to look after certain interests of these people, and if there are hundreds of settlements still going out of business, what would be the total debt of this dominion if we looked after them all! Our debt in that case would be impossible to compute. If there are settlements in Canada that are depleted to-day as the result of this government not giving them proper facilities, I can show you, on the other hand, in western Canada certain districts that have been depleted as the result of this government spoon-feeding industries for the last fifty years, and if that kind of thing is to continue we will have settlements of this kind all over Canada. I believe the time must come when industries and people requiring the dredging of these streams and the building of wharves must learn to pay their own way, stand on their own feet. That is the only way, so far as I can see, in which we are ever going to get back to a sound business basis in Canada and make this country prosperous.

Mr. MALCOLM: Does the hon. member advocate putting the railways on a cost basis in carrying traffic?

Mr. LEWIS: My hon. friend said a moment ago—

Mr. MALCOLM: It cannot be done.

Mr. LEWIS: —that these little wharves or the facilities he was speaking about had a direct reference to the transportation of grain by the Great Lakes. I cannot see for one moment that any one of the works mentioned here has any influence on the carriage of that grain or the freight rates. In a particular case here and there it may have special reference to the freight rate across the lakes; but the great majority of them have no reference whatever to that kind of service. As far as the railways are concerned I think it has been shown conclusively by our western representatives, and also by the counsel that argued the case, that the carriage of grain is a paying proposition; and the very fact that this year the deficit on the Canadian National Railways, as stated in this House, was due to the fact that the crop was not as large bears out the contention.

Item agreed to.

Blind River—to replace warehouse, $2,100.

Mr. CRERAR: What is the purpose of this warehouse?

Mr. CARRUTHERS: Blind River is on the steamboat course between Owen Sound and the Soo; it is a regular shipping place. The warehouse there was blown down and this vote is to replace the structure which is intended to protect the goods that are shipped in there until the merchants can take them away.

Mr. CRERAR: I understand, then, that the government maintains this warehouse for the convenience of the people who are shipping goods?

Mr. KING (Kootenay): That is right.

Mr. CRERAR: Is any charge made for its use?

Mr. KING (Kootenay): Not at this point, I think. The work is of a public character, and it is necessary to keep the wharf structure in proper shape in order to handle the traffic. That traffic consists of about 600 tons of general merchandise and 200 tons of fish. Before the war there was a much larger traffic at that point. As I said earlier in the discussion, at the larger points where considerable tonnage is being handled, the wharves are administered by the Department of Marine and tolls are charged for their use. At this small, outlying place it would not pay to appoint a wharfinger to collect tolls; there would not be enough revenue collected to pay his salary.

Mr. CRERAR: But wharves and warehouses are two different things. Why cannot the people who ship the goods provide the warehouse?

Mr. KING (Kootenay): They might, but it has not been done.

Mr. GARLAND (Bow River): What has been the total amount of money spent on warehouse construction at Blind River? The minister, I think, has already informed the House that this will be the third warehouse to be constructed by the government—at least the third; there may have been others that I do not know of.

Mr. KING (Kootenay): I stated before that the original warehouse was built in 1905, and its dimensions were 40 by 70 feet. In 1908, due to heavy traffic originating from lumbering activities, it became necessary to make an addition of 70 feet, so that the dimensions of the building are now 40 by 140 feet. We are making good damage done by a storm some months ago that blew down a portion of the warehouse.

Mr. GARLAND (Bow River): I take it then the minister is not in a position to give the total cost of warehouse construction at Blind River?

Mr. KING (Kootenay): I have not the expenditure itemized or separated. I gave the total cost of construction at Blind River and the repairs made at this point from time to time. I have not the total cost of the warehouse itself, but the total cost for the construction of wharf and warehouse was $48,855.86.

Mr. GARLAND (Bow River): I just wanted the cost of the construction of the warehouse.

Mr. KING (Kootenay): I have not got that separated from the other I am sorry to say.

Mr. GARLAND (Bow River): Well, really I think the minister might provide the committee with information of this kind.

Mr. KING (Kootenay): There is no objection to that but it would expand our notes tremendously if we had to have on hand details of expenditure from the beginning. I have given the total for repairs, $4,843.41

These warehouses are not unduly expensive. Taking the estimate I have for this new structure of $2,100 I would imagine that the total expenditure for the years 1905 and 1908 would be in the vicinity of $1,200—probably not more than that when you compare present costs with what they were then.

Mr. CRERAR: I do not at all like the practice that appears to have developed in the case of this warehouse, and I dare say there are others that are in the same position. I do not see why the taxpayers of Canada should be called upon to provide the money to build a warehouse at Blind River, or at any other point, that is solely for the benefit of private business interests in the locality. I know the customary thing is for wholesale houses, or shipping and business concerns, to provide their own warehouses, and I should like to have an expression of opinion from the minister as to the soundness of the policy involved.

Mr. KING (Kootenay): For the information of my hon. friend, and to corroborate what I said a few moments ago, may I state that at these smaller points it would cost more to collect the tolls than you would get in the way of revenue. Take the case of Amherstburg. In 1922 we collected only $2.25 and in 1923 but $7.50.

Mr. CRERAR: Was that from a wharf or a warehouse?

Mr. KING (Kootenay): From warehouse and wharf.

Mr. CRERAR: I am not talking about wharves.

Mr. KING (Kootenay): The practice is not a new one; it has been observed, I think, since confederation.

Mr. CRERAR: There were a good many practices which developed after confederation in the matter of public expenditures that we would do well to reconsider to-day. Up until the war the revenues of Canada were pretty buoyant, and the voting of a few million dollars more or less annually by the House was not of very much consequence. I submit, however, that the situation is wholly different to-day. It is not too much to say that this country to-day is groaning under a burden of taxation and it behooves every member of this House to endeavour to curtail public expenditures in every way possible. I submit again that the policy of taking money out of the pockets of the taxpayers of Canada to build warehouses for the benefit of private business interests is an unsound policy.

If we do it in this case why not provide such a facility at every other point where it is desired? I submit that if the government does the dredging, or provides a wharf or docks, at Blind River, the people who benefit from that work ought surely to build the warehouse.

Mr. CARROLL: Would my hon. friend suggest that the stations along lines of railway should be built by the people in the immediate locality? The principle is the same as in this case.

Mr. CRERAR: No.

Mr. CARROLL: It is the very same.

Some hon. MEMBERS: No.

Mr. CARROLL: I understand from the hon. member who represents the county that a line of boats runs from this point to the Soo and to other places, and the goods carried on these vessels consigned to so many different parties, are placed in this warehouse. My hon. friends cite the case of Vancouver where elevators for grain are being built to-day by the public funds of the country. That is all right. The same thing exactly applies to a warehouse on a wharf and a station on a railway.

Mr. CRERAR: My hon. friend is wholly wrong, and I will prove it to him in a moment. When a line of railway is built the transportation companies erect their warehouses and collect freight for the goods they hand'e; they use the warehouse and the other facilities in handling the goods.

Mr. CARROLL: What about the elevators?

Mr. CRERAR: I will come to that in a moment. If my hon. friend carried out his analogy in regard to the case we are considering he would see that the steamship companies that get the benefit of the warehouses and dredging should build the warehouses for the convenience of the people.

Mr. HAMMELL: Who would give the steamship companies the authority to build a warehouse on public property? I have in mind many cases in my own constituency where there is such a shelter as I presume this will be, where a small waiting room is built for the convenience of the public in stormy weather, and at the other end of the wharf a warehouse is built to store the perishable goods. How would my hon. friend provide for private companies in a village or town erecting a warehouse on top of a publicly owned dock?

Mr. CRERAR: I do not know whether the government owns the property where the wharf is built.

Mr. HAMMELL: They own it.

Mr. CRERAR: Then there would be no difficulty in the Department of Public Works making the arrangement with the steamship companies to build the facilities.

Mr. HAMMELL: It is not for the steamships primarily that these facilities are provided; it is for the people of the locality.

Mr. CRERAR: Then I will put it the other way: why then should not the government build all the station houses on a railroad?

Mr. CARROLL: So they do, on government railways.

Mr. CRERAR: Of course they do on the government railways. The analogy cannot apply at all. I submit in all good faith that the principle is not a sound one, and if it can be invoked at Blind River or any other river or harbour in the manner provided here, the same thing can be made to apply all over the country.

Mr. CARRUTHERS: It has, from time immemorial.

Mr. CRERAR: Does the hon. gentleman say that all the warehouse facilities on docks are all provided by the government?

Mr. CARRUTHERS: Yes, they put warehouses upon them.

Mr. CRERAR: Are any charges made in the warehouse?

Mr. KING (Kootenay): I explained that in the larger places there are charges, but the reports show that in Blind River there are 600 tons of incoming freight going over the dock. What would be a fair charge for storage? About ten cents a ton. You would collect about $60 a year. Who would collect it? If they have to collect that money for the government are they going to ask a percentage for the collection? To pay in wages would cost more than you would receive.

Mr. HOEY: The government would not need to collect if they did not put up storage facilities.

Mr. KING (Kootenay): I do not quite agree with that statement. Here the government expend $40,000 or $50,000 for the public convenience in order that the business of the country may go on. If it was necessary to build harbour works or a pier or a wharf for the use of the public, then surely some form of shelter should be provided for storage and waiting-room purposes.

Mr. CRERAR: If this warehouse is not provided by the government and the government strike out the vote what will happen? The people who are benefiting from the service—I take it probably the boat transportation companies—will make arrangements with the government for the building of the warehouse.

Mr. KING (Kootenay): Such an arrangement is impossible.

Mr. CRERAR: I do not know. The hon. member for Cape Breton South and Richmond (Mr. Carroll) cited the case of the elevators erected by the government at Vancouver.

Mr. CARROLL: And the stations on the Canadian National Railways.

Mr. CRERAR: Those stations are simply a part of the service given by the government, from which it gets revenues.

Mr. CARROLL: It does not get revenues.

Mr. CRERAR: Does it not collect revenues in freight and passenger charges?

Mr. CARROLL: But not for the building.

The CHAIRMAN: Order, order. I wish there would not be so many interruptions.

Mr. CARROLL: It is all part of the same service.

Mr. CRERAR: So is this.

Mr. CARROLL: No, because they get no revenue from the stations.

The CHAIRMAN: I wish hon. members would not make so many comments but would wait till the member addressing the Chair is through.

Mr. CRERAR: I want to put the hon. member for Cape Breton South and Richmond right, because he wants to be right, and it is very rarely that he is wrong. A definite charge is made on the grain passing through the elevator for the service rendered. I submit that is a wholly sound principle to apply in governmental policy. But I do not think it is a sound principle to expend public money in Vancouver, or Blind River, or anywhere else, merely to benefit a few people who live in that locality. That is all I am saying. In the case of the expenditure in relation to the public elevators, every bushel of wheat that goes through these government elevators pays a tax or a charge to the government for the service rendered, which is absolutely sound

also, and if my hon. friend from Cape Breton South and Richmond will look up the records, I think he will find that the revenue received by the Department of Trade and Commerce from the grain passing through elevators owned by the government, for the inspection and weighing service rendered in connection with the handling of the grain, exceeds by several hundred thousands of dollars a year the moneys expended by the government to give the service.

Mr. CARROLL: No.

Mr. CRERAR: If my hon. friend will look up the records he will find that that is correct.

Mr. CARROLL: No.

Mr. GARLAND (Bow River): Will the minister tell me if this sum of $2,100 will absolutely complete the construction of the warehouse

Mr. KING (Kootenay): Yes, that is the intention.

Mr. GARLAND (Bow River): Is it to be constructed under contract or in what way?

Mr. KING (Kootenay): It will probably be done by day labour. It is a small work; it will be supervised by competent foremen.

Item agreed to.

Burlington Channel—reconstruction of south pier, $40,000.

Mr. MANION: What is that vote for?

Mr. KING (Kootenay): This is to complete the reconstruction of the south pier at the entrance of Burlington channel, into the harbour at Hamilton. The work is an important one. It is in a state of decay. I had an opportunity of seeing it myself last year, and the reconstruction is essential in order to maintain a channel into that harbour.

Mr. HOEY: How much was spent on that last year—the total vote?

Mr. GARLAND (Bow River): When was the work of reconstruction of the south pier commenced; what is the total already expended on the reconstruction; and how much more money will be expended before the work is completed?

Mr. KING (Kootenay): Last year $45,526 was expended. The expenditure on channel piers at that point prior to confederation amounted to $432,648.40.

Mr. GARLAND (Bow River): The minister misunderstands me. I asked him for the total amount expended for reconstruction of the south pier.

[Mr. Crerar.]

Mr. KING (Kootenay): In 1920-21, there was a reconstruction of 200 lineal feet at a cost of $31,417. In 1923-24, there was a reconstruction of 489 lineal feet at a cost of $44,920. The contract for 1924-25 was $45,908.

Mr. GARLAND (Bow River): In addition to that we have the vote of this year, $40,000. This will make a total about $160,000. How much more will be expended to complete the reconstruction?

Mr. KING (Kootenay): This will complete the reconstruction of the south pier.

Mr. GARLAND (Bow River): No further votes?

Mr. KING (Kootenay): That is the intention.

Mr. GARLAND (Bow River): Has any work been undertaken on the north pier?

Mr. KING (Kootenay): In 1924-25, $13,373.14 was expended. There is nothing this year for the north pier.

Mr. GARLAND (Bow River): It will come as a great relief to the taxpayers of this country to know this work is to be completed this year for $40,000 additional. This seems pretty expensive, but I have no doubt the work can be justified.

Item agreed to.

Byng Inlet—dredging, $38,000.

Mr. KING (Kootenay): Of this amount, $30,000 is a revote. The money is required to complete the contract with W. L. Forrest of Goderich, to provide a clear channel for six and one-half miles from Georgian bay to Byng Inlet coal dock for steamboat navigation of 10,000 tons burden to a clear depth of twenty-one feet and a width of 150 feet. The amount of the contract is $46,341; inspection and contingencies, $1,659.

Mr. SIMPSON: What quantity of coal goes in there every year?

Mr. KING (Kootenay): In 1918, the quantity was 509,172 tons; in 1923, 277,515 tons.

Mr. SIMPSON: Does the Canadian Pacific get coal through there?

Mr. KING (Kootenay): Yes.

Mr. GARDINER: Is there much saving on the coal coming in through this particular channel, and if so, what will be the saving?

Mr. KING (Kootenay): There is the saving that water haulage will give over rail transportation. I have not the information, but there will be a considerable saving.

Mr. MALCOLM: Coal at Byng Inlet costs about 75 cents from lake Erie; it varies, sometimes it is 50 or 60 cents. By rail it would be about $2.75.

Mr. LEWIS: The name Byng Inlet does not appear in the general estimates of last year. Was a supplementary estimate brought in?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): Will this complete the work?

Mr. KING (Kootenay): We are taking care of the more urgent portions of the work. There will be more work at that point.

Mr. GARLAND (Bow River): Has the minister any estimate of the total amount required?

Mr. KING (Kootenay): No. There will not be anything more required there immediately, but from time to time there will be additional work. This will take care of the present work.

Item agreed to.

Chatham—repairs to revetment wall, $5,850.

Mr. KING (Kootenay): This is repair work.

Item agreed to.

Cobourg—reconstruction of harbour works, $12,000.

Mr. GARLAND (Bow River): What is the total amount that has been expended on this work; in what year was it commenced; and how much money will be expended before it is completed?

Mr. KING (Kootenay): Cobourg is an important point. The expenditures prior to March 31, 1925 are as follows:

Prior to confederation..	$ 62,010 70
1874 to 1900..	192,892 57
Repairs since 1900..	126,469 18
Dredging since 1900..	168,984 31
Construction since 1900..	308,091 76

Mr. GARDINER: Was the total vote of $70,000 last year spent?

Mr. KING (Kootenay): No; $54,587 was expended.

Mr. GARLAND (Bow River): The minister has not told us how long this work is expected to continue, and what will be the total expenditure.

Mr. KING (Kootenay): This contract will be completed by the present vote. Further work will come up for consideration from time to time as required.

Mr. GARLAND (Bow River): I frankly admit my lack of information regarding this place and I am going to try to get some information from the minister. What does "reconstruction of harbour works" mean? Are these going to be completed at any date?

Mr. KING (Kootenay): This is a long work extending out from the lake shore. One might undertake all the work at one time and complete it, but it has been found possible, in fact economical, to undertake certain sections and get them into repair. We have been doing that largely through the lake country. Where old works are in decay, we have been renewing them with permanent structures, taking section after section from year to year, and the work is being properly done. I think the plan that is followed is a safe one. I have here a diagram of the work; if the hon. member wishes, I will send it to him.

Mr. GARLAND (Bow River): I think the minister indicated that there were additional pieces constructed. Is that correct?

Mr. KING (Kootenay): There has been reconstruction, but there have been no additions.

Mr. GARLAND (Bow River): It is called "reconstruction" in the vote, but I think the minister indicated that it was by way of adding a piece.

Mr. KING (Kootenay): No, certainly not; the hon. member will see it in the middle of the diagram, marked in red.

Mr. GARLAND (Bow River): Why has it been necessary to reconstruct that piece?

Mr. KING (Kootenay): Because it is in decay.

Mr. GARLAND (Bow River): What sort of pier is it—wood, stone or concrete?

Mr. KING (Kootenay): It is a wood structure filled with stone ballast. The work we are doing there now will make it more or less permanent.

Item agreed to.

Cumberland—wharf reconstruction, $10,500.

Mr. KING (Kootenay): Cumberland is in the county of Russell. This is a bit of reconstruction we are doing on the water line.

Mr. MANION: New work?

Mr. KING (Kootenay): No, reconstruction.

Item agreed to.

Goderich—harbour repairs and improvements, $150,000.

Mr. BOYS: Why is it that such expensive improvements are being made here while nothing is being done in other lake ports of equal or greater importance? I am not suggesting that the money is not needed or that it is being improperly expended; but it is strange, at least so far as my knowledge goes, that some lake ports of greater importance, and which have been longer in need of improvements, are unable to get any money, or get very little, while an abundance seems to flow into others. The hon. member (Mr. Malcolm) pointed out a short time ago the care with which he scrutinized certain estimates, striking his pen through them. I thought it rather strange. Glancing back over a few years, I find how seldom he struck his pen through expenditures at Kincardine. For instance, in 1923 the expenditure there was $24,000; in 1924, $22,000 and in 1925, $20,000, while for 1926 it is $25,000. In fact, ever since my hon. friend has been a member Kincardine has been well looked after. No doubt it deserved it all, but it is surprising that he should point out how careful he has been to strike out estimates needed elsewhere, which he thought should not be voted, while in his own riding he takes all he can get. Now, I know that Goderich is an important harbour, and the expenditures there are probably more important than those at Kincardine. But this is a large sum of money, and bearing in mind certain things that have occurred to me, and to which I may refer later, I think the committee is entitled to a fairly extensive explanation as to what it is intended to do here.

Mr. KING (Kootenay): The expenditures under this vote will be made up as follows:

This amount of $150,000 is required to continue the development of Goderich harbour commenced in 1922-23. The work proposed for 1925-26 is as follows:

(1) General repairs to existing piers..	$ 11,500
(2) Reconstruction in reinforced concrete of additional 600 feet of river breakwater..	30,000
(3) Three new mooring cribs across west end of inner harbour..	33,500
(4) Towards dredging inner harbour and entrance channel to 23 feet (estimated to cost $155,304)..	75,000
Total amount required for 1925-26.. ..	$150,900

The improvements that are to be made will be taken advantage of by the farmers in that section as well as by others. This is not a new work, having been in existence for many years; we are merely keeping it in shape. It would not be the part of wisdom to let it deteriorate, for the harbour is important not only to the local people but to the grain trade as well. A considerable activity is taking place there.

Mr. BOYS: Is there any record of the number of vessels entering and departing from the harbour, and the tonnage?

Mr. KING (Kootenay): In 1922 there were fifteen steamers with a wheat capacity of 2,520,000 bushels; in 1924 there were twenty-four steamers with a wheat capacity of 3,683,000 bushels. While we were able in late December and early January of last winter to lighter some of the winter storge cargoes, and then place them in every available safe location in the harbour, we have been confronted with a much more difficult condition this fall, in that domestic millers and exporters are not able to move forward sufficient grain to permit these storage boats to be lightered to a draft which will enable all of them to be stored within the harbour proper. It is therefore compulsory that several of them be moored, under full load and at draft of nineteen feet or over, out between the piers. This is a prohibitive area under the mooring rules of the American Bureau of Shipping, representing the hull and cargo underwriters, as there are no approved mooring facilities and the hazard through inevitable surging and resultant damage therefrom is very great. This vote will give improved facilities and allow a larger number of steamers to enter at that point. The work will be of distinct advantage to the shippers of grain.

Mr. BOYS: The minister has given a certain number of ships carrying grain. Are we to understand that there were none others?

Mr. KING (Kootenay): There are others, but the steamers are very largely those that handle grain of all kinds. For the year 1920 the following cargoes were handled:

	Bushels
Wheat..	6,518,078
Oats..	2,932,693
Barley..	761,318
Flax..	422,937
Corn..	112,475

Mr. BOYS: What is the policy of the department regarding harbour improvements? Is the money spent with a view to improving the most important harbours?

Mr. KING (Kootenay): Yes.

Mr. BOYS: I suppose that consideration is given to any immediate demand for repairs; but am I right in assuming that the main consideration is the spending of it where there will be the most traffic, from the standpoint of transportation and commercial interests?

Mr. KING (Kootenay): These are not new expenditures; they are practically for reconstruction and for the general maintenance and improvement of harbour work. This vote is important not only to Goderich but to the Dominion at large. There is no doubt that the policy that guides the department in these estimates is the improvement of the harbours; and this is one of the important harbours.

Mr. BOYS: To what extent is this improvement and to what extent is it reconstruction? The minister evidently thinks that I am suggesting that Goderich is not important and is not entitled to the expenditure. I want to put him right on that. Having said that, I should be glad to get any information the minister can give on the question I have just asked.

Mr. KING (Kootenay): The hon. member will find that I have already given the details.

Mr. HOEY: Does the government derive any revenue from this harbour in the way of fees?

Mr. KING (Kootenay): We managed to collect $35 in 1922 and 1923. The tonnage going through is practically all grain and it passes through the elevator, which I think is privately owned. There may be a railway elevator as well.

Mr. BOYS: We find various places in Ontario referred to in this general item, and there is also in item 155 provision for dredging in Ontario and Quebec to the extent of $562,500. Will any of the money to be spent under item 155 be spent also in any of the work set out in item 149?

Mr. KING (Kootenay): No.

Mr. BOYS: All absolutely separate?

Mr. KELLNER: Will grain going through Goderich be handled at this harbour?

Mr. KING (Kootenay): Yes the harbour is absolutely essential to the handling of grain.

Mr. WARD: What is the total cost of the harbour to date?

Mr. KING (Huron): Mr. Chairman, I happen to know about the cost of the elevator works in the town of Goderich. Last year a private enterprise expended $455,000 on them. I want to tell my western friends that Goderich harbour is just as essential to them as it is to us, and that last year, as the minister stated, we unloaded 23,000,000 bushels of grain there. That grain supplied the farmers of western and southwestern Ontario, and practically all of it came from the west. So that Goderich is not a local it is a national undertaking, and we would not like to see anything interfere with the proper development of the harbour. The reason for this large vote is that the wooden breakwater between the Maitland river and the harbour being in a very decayed condition, it is necessary to rebuild it in concrete, and unless this work is done immediately it will take fifty dollars to do what one dollar will effect now. So I repeat to hon. members that the farmers of western and southwestern Ontario are altogether dependent on this harbour for their feed grain; and I would also inform them that both the Canadian National Railway and the Canadian Pacific Railway have lines connecting the harbour with the rest of Ontario.

Mr. WARD: Mr. Chairman, I hasten to assure the hon. member for North Huron (Mr. King) that I for one was not objecting to this item. I have visited Goderich and I appreciate very much its being a strategical point on lake Huron. However, I think we are entitled to information in respect to these matters.

An hon. MEMBER: Carried.

Mr. GARLAND (Bow River): May I inform my hon. friend through you, Mr. Chairman, that he is not going to help the minister with these estimates with its everlasting reiteration of "carried" while a member is on his feet asking questions? I would suggest that the minister would make better progress if his friend kept silent.

Mr. CARROLL: To whom is the hon. gentleman referring?

Mr. GARLAND (Bow River): To the hon. member who is calling "carried". Is it the hon. member for Cape Breton South and Richmond?

Mr. CARROLL: No, Mr. Chairman.

Mr. GARLAND (Bow River): I did not think it was.

Mr. CARROLL: That is the reason for my asking to whom the hon. gentleman is referring. I would suggest, Mr. Chairman, if he has anything to say of an hon. member on this side he should name him.

Mr. GARLAND (Bow River): I will name him, Mr. Chairman. The hon. member for Sherbrooke (Mr. McCrea) has been shouting "carried" for about five minutes.

Some hon. MEMBERS: Oh, oh.

Mr. GARLAND (Bow River): I think it is the member for Sherbrooke. However, Mr.

Chairman, the information which I think one member asked on this item was, what was the total cost to date, and the estimated total cost before completion.

Mr. KING (Kootenay): The total cost to March 31, 1924, was $2,162,326. The estimated cost of our scheme of reconstruction is $576,872.

Item agreed to.

Harbours and rivers generally—repairs and improvements, $50,000.

Mr. GARLAND (Bow River): What does this refer to, Mr. Chairman?

Mr. KING (Kootenay): This money is required for general repairs to harbours and rivers within the province of Ontario which are under the control of the department, and is to meet unforeseen conditions that may arise during the year. Last year of the amount appropriated we expended $24,459.99. The amount varies from year to year.

5 p.m.

Mr. BOYS: Can any of those repairs be designated?

Mr. KING (Kootenay): Yes. Barrie, repairs to pile work, $500; Big Bay Point, removal of old crib and repairs to approach, $500, and so on. I suppose there are twenty items for the coming year.

Mr. BOYS: Do any of those exceed $1,000?

Mr. KING (Kootenay): The largest would be $1,000.

Item agreed to.

Honey Harbour—dredging, $15,800.

Mr. GARLAND (Bow River): What was the total cost last year?

Mr. KING (Kootenay): This is to complete the contract for $23,612. There was only some $3,000 expended last year.

Mr. GARLAND (Bow River): Where is this place?

Mr. HAMMELL: In Muskoka.

Mr. GARLAND (Bow River): Has there been much money spent on this prior to this date?

Mr. KING (Kootenay): This is the first expenditure on dredging at that point.

Mr. GARLAND (Bow River): Was nothing voted last year?

Mr. KING (Kootenay): Yes, $22,000.

Mr. GARLAND (Bow River): Will this complete the dredging necessary?

[Mr. E. J. Garland.]

Mr. KING (Kootenay): It will complete the present contract.

Mr. GARLAND (Bow River): I do not mean that, but will it be necessary to continue dredging work up there?

Mr. KING (Kootenay): This will complete the present section of the channel, but the channel is rather extensive and from time to time there will be points where further work will have to be done. It is estimated that the whole scheme of improvement will amount to $88,000.

Mr. GARLAND (Bow River): Why is the work necessary? Is it a pleasure resort?

Mr. HAMMELL: This is only another instance where the lowering of the levels of lake Huron has made work of this kind necessary. Honey Harbour is a village on the shores of Georgian bay, with a summer population of approximately 2,200 people. There are six or seven fairly large hotels there, and the present harbour is served by the Georgian Bay Tourist Company and the Honey Harbour Navigation Company. The former operates the steamer, City of Midland, carrying 500 passengers. This steamer travels from Midland up the coast of Georgian bay, following what is known as the inside channel. Until recently, the City of Midland and the City of Dover could go up the inside channel without any obstruction, but the constant lowering of the level of lake Huron has made this dredging necessary, because it is not safe for the boats to go up that inside channel now. These people have no railway line whatever, and are absolutely dependent on the steamer service.

Mr. LEADER: What is the nature of the traffic these boats carry?

Mr. HAMMELL: They are catering to the tourist traffic, which is very considerable.

Mr. LEADER: What is the population of this village in winter?

Mr. HAMMELL: The population in winter is seventy-five families.

Mr. KELLNER: I would judge this is purely a summer resort, from what the hon. member for Muskoka says.

Mr. HAMMELL: I have just stated that there were seventy-five families engaged in agriculture living along the shores of the Georgian bay near this point and who are served by no other line of transportation; they have no railway, and not even a good road.

Mr. KELLNER: I was about to remark that in my opinion this is largely for the pur-

pose of catering to the summer tourists who visit that section of the country. I do not think it is the policy of this government to provide facilities for that purpose in other sections of the country.

Mr. HAMMELL: The other sections of the country benefit largely from this tourist traffic, probably just as much as this particular section.

Mr. KELLNER: I was discussing the policy of the government as I see it. I always thought they considered it their duty to aid navigation for the advancement of trade, but I do not think there is a section of the country where they spend money to aid navigation purely for summer tourist trade or for pleasure purposes. I have a very distinct remembrance of the government refusing me a similar application for a small amount of work in my constituency, so I am sure that if they do that work they must play favorites, because there are some sections of the country that do not get it.

Mr. HAMMEL: While the summer traffic is very considerable, there are seventy-five families who have been located there for a great many years. The lowering of the level of the lake has made it necessary to deepen the channel for these boats which have been running there for years and years.

Mr. MANION: I would suggest that if my hon. friend (Mr. Kellner) would follow the example of my hon. friend (Mr .Hammell), he might get what he wants.

Mr. HAMMELL: I would suggest he might follow the example of my hon. friend from Fort William and Rainy River.

Mr. GRAHAM: The honours are even.

Mr. MANION: I did not change after I was elected.

Mr. KELLNER: I would be entirely ruined if I followed all these examples. Could the minister give the committee the volume of traffic at that point, other than tourist traffic, of which the hon. member for Muskoka says there is considerable.

Mr. KING (Kootenay): This is in the Muskoka district where there is a large and very important tourist traffic. Both the Canadian National and the Canadian Pacific lines of railway serve the district, and the traffic derived from the tourists is of great importance to the Canadian National.

The steamer service through the district is primarily in daylight, due to the difficulties of navigating the island channels, but every Friday night throughout the tourist season two steamers run from Midland, and one steamer from Port McNichol to Honey Harbour. The round trip from Midland to Parry Sound is 114 miles approximately, and the largest steamer, City of Midland, makes the round trip daily throughout the tourist season, connecting with the Canadian National Railways' special tourist trains at Midland. This steamer cannot spare the time for calling at the various private wharves, and even though this could be done, very few of the channels are navigable for other than small craft.

The Canadian National Railways supplies fast tourist trains from Toronto to Midland, daily, including week-end pullman service. Beginning the season 1924, the City of Dover will make regular trips from Port McNichol to Honey Harbour, connecting with Canadian Pacific Railway tourist trains daily.

The present steamboat service is supplied by the Georgian Bay Tourist Company, Limited, and the Honey Harbour Navigation Company. The former company operates the steamer "Midland City" which has accommodation for 500 passengers, and is equipped with staterooms and dining room for fifty people. The latter company operates the City of Dover, which accommodates 400 passengers. In addition to the above, there are the freight and passenger boats, Tenno, Waterbus, Imperial and two more now under construction at the Midland Boat Works. These steamers all transfer passengers and freight to and from the settlers' and tourists' homes. The general service would be much improved if these smaller boats could operate from a public headquarters.

I have not the figures as to the number of tourists.

Mr. KELLNER: I think the minister has got away from the question I asked him. I asked him the number of tons of freight passing through that harbour.

Mr. KING (Kootenay): This work is being done, not in the harbour, but in the channel through which these boats ply back and forth.

Mr. BOYS: I do not suppose it is any part of my duty to be unduly anxious to assist in the passing of the estimates for my Liberal friend from East Simcoe (Mr. Chew), but being more or less familiar with this particular part of the county, it may be in order for me to say a word or two. It is not in the riding I represent but is within about forty miles of the town in which I live, and knowing the

district exceedingly well I do not hesitate to say that it is an important summer resort—I think that is the main business without any doubt—and is becoming very popular as the years go by. If the port were not kept open the boats would, perhaps, be put out of business, a very considerable investment of capital in cottages and hotels would be rendered more or less useless, and the people would have to look elsewhere for their summer outing. Those people come from many parts of Ontario; they are chiefly people from Toronto and from points to the south. They go there in numbers and a considerable investment of capital has been made. These boat routes have now been established, and I do not quite see how you can possibly let a port like that be left without consideration. Dredging is without doubt necessary owing to the lowering of the lake. The amount involved here is not overly large, and for that reason and because of the importance of the place I would not hesitate to support the item.

Mr. KELLNER: I suppose it is the policy of the government to give aid to such places as these that are concerned almost wholly with the summer tourist trade? They are willing to declare that it is their policy to assist enterprises of this kind.

Mr. KING (Kootenay) My hon. friend should not be mistaken. This is an important part of Canada. It draws a great many thousand people to this country, and it is necessary to facilitate navigation in that section in order that these people may come and go, as well as to provide the local residents with the opportunity to live. Such being the case the government has no hesitation in recommending this expenditure to parliament.

Item agreed to.

Jeanette's Creek—wharf repairs, $1,000.

Mr. GARLAND (Bow River): How much of last year's vote was spent?

Mr. KING (Kootenay): The sum of $1,000 was expended last year, and we are voting another thousand this year.

Mr. HOEY: Where is Jeanette's Creek?

Mr. KING (Kootenay): It is in the county of Kent. This is to renew ninety lineal feet of sheet piling at an estimated cost of $1,000. The engineer reports these repairs are necessary to maintain the existing structure.

Item agreed to.

[Mr. Boys.]

Kincardine—repairs to piers, $25,000.

Mr. GARLAND (Bow River): I should like an explanation of this vote. I noticed that last year and the year before quite a sum of money was spent on this work.

Mr. KING (Kootenay): This amount of $25,000 is required for the following purposes: First, to provide for balance owing William Hunter in connection with his contract for the reconstruction of the west, south and east revetment walls for a length of 660 feet—$2,000; second, to continue the reconstruction in concrete of the revetment wall and wharfage in the inner harbour, commenced in 1922-23. In 1922-23-24 a distance of 376 lineal feet was reconstructed under contract with Messrs. Keys Bros. In 1924-25 a further section of 660 lineal feet was rebuilt under contract with William Hunter of Kincardine. The final section of the inner harbour, 400 lineal feet, is estimated to cost $10,800. In the third place it is proposed to continue the reconstruction in concrete of the super-structure of the south pier for a distance of 200 lineal feet. The first section was completed in 1923 under contract with Messrs. Keys Bros. The estimated cost is $13,000. Finally, there will be general repairs in timber to the north pier, at a cost of $1,200, making a total of $27,000.

Mr. BOYS: Will the minister inform the committee as to the number of vessels that entered Kincardine harbour last year?

Mr. KING (Kootenay): The number was not as great as we had hoped; our dredging was delayed too late for the vessels that had intended going in. I think the following shipments were made into the port of the season of 1922, 300 cords of slabs at $10 a cord; 10,000 posts at 22 cents; 125,000 feet of lumber at $30 per thousand. Then the Valley Camp Coal Company, it is anticipated, will bring in annually about 30,000 tons of coal. They did not bring in the amount of coal they expected last year owing to the lateness of the dredging.

Mr. BOYS: The minister has not answered my question; perhaps he has not the figures. I wanted to find out the number of vessels that entered the port of Kincardine.

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

Mr. BOYS: That is a fairly important factor, I should think, in connection with the maintenance of these ports. I should imagine it would be one of the first things we would want to know.

Mr. MALCOLM: The harbour work at the port of Kincardine was all timber construction, and nothing had been expended on it for a great many years. During the period of the war the policy adopted by the late government, and I think it was a very wise one, was not to spend money on those harbours where there was no particular traffic. The purchase and reconstruction by the Valley Camp Coal Company of the Kincardine Salt Works has been an important factor in connection with the development of the port. The company has spent over $200,000, I think actually $250,000 of its own money on this plant, and to-day is operating one of the finest salt industries in Canada. The company also proposes to handle coal by vessel into Kincardine and by the National railway out. That will justify the reconstruction of the south portion of the harbour where the coal is landed. It was my recommendation that there should not be an excessive amount of money spent on any one piece of work at a time, but that the cribwork should be restored gradually where the repairs were the worst needed. The vote this year is to complete repairs on the south side of the harbour where the coal is being landed. With respect to the hon. member's question as to the number of vessels entering Kincardine last year, there were only some vessels carrying lumber, cordwood, and posts that entered; but we expect there will in future be a large amount of coal carried. In fact there would have been several cargoes of coal last year but the dredging was delayed to such an extent that when the Glenelg came in with her last cargo the weather was so stormy that she experienced a good deal of difficulty at the mouth of the harbour. The total tonnage in Kincardine will be largely coal tonnage, and the traffic, I think, will amply justify the expenditure.

Miss MACPHAIL: When the contemplated work is completed will it be possible for the fishermen of Kincardine to use the port?

Mr. MALCOLM: Yes.

Mr. BOYS: My hon. friend the member for North Bruce pointed out a short time ago the cost of the transportation of coal by water as contrasted with that of carriage by rail, and I think the difference was some $2 per ton. But with facilities for loading and unloading it will not cost nearly as much to place the coal at its point of destination when handled by railway as it will when handled by boat and without such facilities. As a rule these boats are very small, and cannot carry large cargoes. Furthermore they do not have the necessary unloading facilities, and I think it is admitted by everybody that in such cases it costs more to handle coal on such boats.

Mr. MALCOLM: The Valley Camp boats will have the necessary facilities for unloading coal. The company is constructing, at considerable expense, an underground carrier to load and take coal from the boats to the cars.

Mr. KELLNER: When was this work first undertaken?

Mr. KING (Kootenay): In pre-confederation times. From confederation down to 1912 there had been expended $236,000 odd. Since 1912 the amount expended was $142,000; repairs to works since 1912 $43,000, dredging $45,000.

Mr. KELLNER: What would it cost to finish this work?

Mr. KING (Kootenay): I think I gave the total as $27,000.

Mr. GARLAND (Bow River): Does the minister seriously contend that the vote of $27,000 will complete the works to be put in at that place?

Mr. KING (Kootenay): The work we have now in hand will cost $27,000 to complete. Of course the work in any one of these harbours is never completed, and something will always require to be done. The matter can only be dealt with as it comes up.

Mr. KELLNER: The minister stated that he was just renewing certain sections of it. If that is the case, then the estimates should include all the sections that are not completed by the present time.

Mr. KING (Kootenay): I read the four items to the House a few minutes ago.

Mr. LEADER: The minister speaks of coal being imported. Where is the coal purchased?

Mr. KING (Kootenay): American coal.

Mr. MALCOLM: Referring to another matter; salt is a free commodity and eighty per cent of the cost of manufacturing the salt is the cost of the fuel used to evaporate the brine. Unless these salt mills get their fuel at the very lowest cost they cannot continue to operate without a very high protective tariff, the mills at points like Sarnia and Goderich and Kincardine are manufacturing salt from brine by evapora-

tion, and it would mean a complete cessation from operations in a plant where the owners have invested a quarter of a million of capital if coal were not brought by water to Kincardine.

Mr. LEADER: Is it the fact that American coal can be imported and laid down there at a less cost than our Canadian coal?

Mr. MALCOLM: West Virginia slack coal can be delivered by water at a cost of $4.96 per ton.

Mr. BOYS: It might be appropriate to ask the minister whether or not any portion of the general item of $562,500, which is for dredging Ontario and Quebec, is assigned to the harbour of Collingwood.

Mr. KING (Kootenay): I will come to that a little later.

Mr. BOYS: Could the minister not tell me if any portion of that item is assigned to Collingwood?

Mr. KING (Kootenay): I am not able offhand at the present time to say.

Mr. BOYS: Very insistent demands have been made of the minister on behalf of Collingwood, which is a town quite close to my own and in my county, although not a part of my riding. The reason I asked some questions regarding Goderich and Kincardine was not to criticize what was being proposed for these ports. Hon. members talk of eighteen and twenty-two vessels calling at Goderich and one or two calling at Kincardine in a year; let me say that in 1923 229 vessels called at Collingwood, and the port handled 2,498,000 bushels of grain. Its elevator perhaps is not as big as it should be, and I hope the day is not far distant when the Canadian National Railways will realize that fact and increase the capacity of the elevator. It has a capacity of 160,000 bushels. There is a good harbour there now, but it requires improvement. The people of that locality have been clamouring for a little more money. It was pointed out that the $231,800 had been spent at the port of Goderich in the last four years. It is a port of some importance, and I am saying nothing against it, but it cannot be mentioned in the same breath with Collingwood. Not only is Collingwood an important lake port, but it has been a very important point for years where both passenger and freight boats have been calling, and doing an immense business. They have the finest shipbuilding plant in the whole of Canada. Breakwater improvements were commenced there under the government of Sir Robert Borden, and one-third of a much needed eastern breakwater was constructed. I am glad to say the present government constructed the second third of that breakwater in 1922; but that work has been standing ever since, although the port has been clamouring for a share of the money that has been lavishly devoted elsewhere. The port is not local in its character in any sense whatever, and we know that passengers from all parts of Ontario and the United States pass through there in connection with the boats which sail further up the lakes, and I think the government should spend some of the money of the country to help build up that port. They require this money for deepening the channel, but do not get their fair share for some reason. I think perhaps something might be done for Collingwood in connection with the general item to which I have referred. I can only express the hope that something will be done. The three important things they are asking for are the completion of the breakwater now two-thirds finished, the removal of certain obstacles in the inside of the harbour which have been brought to the minister's attention—

Mr. MACLEAN (York): At page 41 of the Estimates there is an item.

Mr. BOYS: That is statutory and refers to the dry dock, not for dredging and harbour improvements at all. The third improvement they are asking for is a turning basin, so that large vessels may use this harbour, as they cannot do at present. I understand the largest vessel sailing on the lakes is the Grant Morden, 604 feet long, and that vessel cannot enter the harbour. As the minister has not definitely stated that nothing is to be devoted to Collingwood out of this general item, No. 155, of the estimates and as that has still to come up, perhaps I need not say much more at the present time, except to add that in investigating the expenditure of money at Belle River the other day, one realizes what an absolutely unjustifiable waste of public funds it is to spend money on a sand bar such as you have at that place, and to leave a national port like Collingwood without the needed improvements.

Mr. KYTE: The Belle River expenditure is now under consideration and investigation before the Public Accounts committee. I submit this is not the proper time to discuss it.

Mr. BOYS: My hon. friend is in error. I am not discussing as to whether it is advisable to spend more money at Belle River. I am happy to be able to say that I do not see any item in the estimates in regard to Belle River, and I trust the minister has come to the conclusion that what he has spent at that place is wasted and has made up his mind not to spend any more.

Mr. KYTE: Order. The question whether the money spent at Belle River has been wasted is under investigation by the Public Accounts committee, and when the report of that committee is before parliament it will be time enough to criticize it.

Mr. BOYS: I can understand my hon. friend's anxiety in trying to avoid a discussion of the expenditure at Belle River, because if there is anything that should be criticized it is that outrageous squandering of public money, where a harbour can never be established. I am not seeking to discuss Belle River at any length, but I am absolutely in order, when discussing these estimates, to refer to such items as that and to say that it would be much better for the people of this country if the money was spent on a harbour like Collingwood rather than at a place like Belle River. I may have more to say regarding Belle River when we come to the general item to which I have referred. Possibly when we come to this item, we may, although I hope we shall not, find something more for Belle River. In view of that and the minister's failure to tell me whether or not any portion of the general item is to be devoted to Collingwood, I will not continue my remarks now except to ask him again in all sincerity to take into his sympathetic and active consideration the claim of the town of Collingwood for further needed harbour improvements. Every dollar that is spent there will do good, not only to Collingwood, but to the people of the whole of Canada. The grain that is brought in there by the boats is taken from there to Montreal. I am told the haul from there is exactly the same as it is from Midland. There is a certain amount of congestion at Midland, and it is just as well to use the line of railway from Collingwood through Allandale to Toronto. It would be a good thing for the Canadian National, if they would increase their facilities there, and, in consequence, a good thing for the people of Canada.

Mr. KING (Kootenay): My hon. friend has hardly been fair in the matter. We have been conversant with the needs and requirements of Collingwood. Last year we voted some $20,000 for breakwater construction and $30,000 for dredging at that point. Because I have not my notes dealing with the general dredging vote and do not care to make a statement without being sure of my notes, we are led to believe that Collingwood is being neglected. It is not being neglected. We have carried on that programme that we have been advised is the proper one at Collingwood and we are prepared to carry it on. When that vote comes up, I shall be glad to give my hon. friend the information.

Mr. BOYS: My hon. friend states correctly that there were the two items totalling $50,000. What in the world is that from 1921 to the present time for a harbour of the importance of Collingwood? I have just dealt with Goderich. I am not finding fault with that. I am going to assume that the money is properly spent. But where can there be justification for spending $231,800 at Goderich and $91,000 in four years at Kincardine, one place serving one vessel a year and the other serving eighteen in one year and twenty-two another, whereas at Collingwood you have over 200 vessels entering Collingwood each year and in addition have the shipbuilding plant there. You also have a prosperous town of 7,500 established and known throughout Canada for half a century as a lake port of consequence. One has only to stop and reflect in order to realize that this is not fair and that Collingwood is being neglected, or if Collingwood is not being neglected, the other two ports are getting much more than they should having regard to their relative importance.

Item agreed to.

Kingston, Royal Military College—wharf repairs and protection work, $1,800.

Mr. KING (Kootenay): This item is to repair the face of the pier back of the main boat house, to replace some of the flooring over the wharf in front of the gymnasium, and to build 150 lineal feet of concrete retaining wall, opposite the entrance to the Royal Military College.

Miss MACPHAIL: What does the Royal Military College need a wharf for?

Mr. KING (Kootenay): For the use of the cadets for school purposes we keep this pier and dock in repair.

Miss MACPHAIL: In 1923-24, we spent $1,300; in 1924-25, $900, and this year the government are asking for $1,800. Have the votes of the last two years been spent?

Mr. KING (Kootenay): This is to renew the old revetment wall and the floor of the wharf near the gymnasium. The work is being done in sections.

Miss MACPHAIL: Is it customary for schools to have wharves for the pleasure of students who go to those schools?

Mr. KING (Kootenay): This is a Dominion government school, the Royal Military College, a school of some importance to the people of Canada. It is being maintained by the Dominion government. It is the only military school that is maintained. This is merely taking care of our own property.

Miss MACPHAIL: Are any peace schools maintained by the Dominion government, or do they teach just one line of national policy?

Item agreed to.

Leamington—breakwater, $10,000.

Mr. KING (Kootenay): This is required for the construction of a rubble mound breakwater for harbour protection purposes. The harbour of Leamington is of some importance. The traffic between Pelee island and Leamington is quite extensive, being largely the movement of agricultural produce. There is also a considerable amount of shipping in and out of the lakes, the lake steamers stopping at Leamington.

Mr. GARLAND (Bow River): The work this year is for a breakwater. Last year the work was for repairs to pier. It is the same work?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): How long will the work have to go on? What will it cost? Will this complete the total work required for the breakwater?

Mr. KING (Kootenay): It will not complete it. This is the commencement of work of construction to protect the harbour. We have a vote of $10,000. This vote has been in the estimates in previous years, and it was passed by parliament I think, in the years 1914-15, 1915-16 and 1916-17. The work when finally completed for the protection of the harbour, the breakwater, will cost about $138,000.

Mr. GRAHAM: This happens to be in my constituency. According to the census the population of Leamington is approximately 3,000. The municipality claims that it is over 4,000. Perhaps, without boasting, I may say that it is in the heart of one of the most productive agricultural sections in the Dominion of Canada. It is devoted among other products to tobacco raising which gives a greater return per acre than any other form of agriculture. It is also devoted to the raising of vegetables, small fruits, market gardening, with small farms almost entirely. Tobacco raising is just beginning in Canada. All along lake Erie the quality of tobacco produced is equal to that of the Virginia leaf. This harbour could be utilised for shipping out agricultural products to great advantage if the harbour were such that boats of any magnitude could enter it. Lake Erie is a shallow lake and it does not take much wind to make it almost impossible to land at some of these docks. I think the depth of water in that harbour is only about from ten to eleven feet. The revenue derived from tobacco already produced in that vicinity, including Pelee island, will pay for all these works many times over. But the significance of endeavcuring at the present time to get better shipping facilities in that vicinity, at both Leamington and Kingsville, lies in this, At the Economic conference some two years ago in London the ministry of the day had it in their programme to give a material preference to Canadian tobacco, among other things. That preference, when the succeeding government came in, was not conceded, but it is in the new programme of the Baldwin administration. If that section of the country is ever to take advantage of the preference to be given to Canadian tobacco it ought to have all the facilities possible with which to court that trade. There are of course the other farm products to be considered, for this vicinity is very productive. One boat now runs between Pelee island, Leamington, Kingsville and Sandusky, Ohio. The tobacco production of Pelee island itself would pay a large part of the amount that will be spent on Leamington harbour, but it is for a wider object than that, I think that the money will be expended; the harbour improvements that are to be carried out at Leamington will make for the general development of that portion of Ontario. The expenditure of $134,000 eventually is on a larger scale than would satisfy the present needs. Leamington has very many facilities for large passenger and for excursion traffic, and people have been coming regularly from the lake ports and from Detroit. Under present conditions however they have ceased to go there and it is necessary that something should be done to improve conditions in the port. This necessity has been evidenced by parliament during three successive sessions. An amount was first voted some years ago to begin the work, and if parliament approves this item, as I hope it will, this will be the

fourth time it has done so. The advantages that will accrue to this section of the country through improved shipping facilities by water will well repay a reasonable expenditure. Imagine towns surrounded by a country which is a veritable garden, and situated on lake Erie, not being able to ship their goods by boat owing to a lack of proper facilities. Yet that is the situation.

Item agreed to.

Midland—wharf, $15,000.

Mr. GARLAND (Bow River): Is this a revote?

Mr. KING (Kootenay): This revote of $15,000 is required towards the construction of a wharf 250 feet long by 65 feet wide, having an approach 117 feet long and 500 lineal feet of railway extending from the outer end of the wharf to the limit of the Public Works department's property. The wharf will consist of a pile work substructure and reinforced concrete superstructure around the outsides, with earth filling in the centre, which will be obtained by dredging adjacent to the wharf to accommodate boats of 24-foot draft, and there will be a concrete or asphalt surface over the whole. This is a new structure, and it is endorsed by the district engineer as being essential to the business interests of the locality. The town is primarily a marine centre and the following is a list of its industries, which make it necessary to have further construction at that point:

1. Grain elevators—five houses in operation having a total capacity of 8,500,000 bushels and a sixth house under construction, 1,500,000 bushels capacity.
2. Saw mills—two saw mills, average joint annual cut 60,000,000 feet board measure.
3. Flour mill—capacity, 1,200 barrels per day and in addition various other products.
4. Coal docks—two.
5. The Midland Shipbuilding Company, largest ship constructed to date 560 feet long, the Glenifer.
6. The Georgian Bay Shipbuilding and Wrecking Company. The company operate a marine railway capable of taking the bow or stern of a canal sized freighter and a floating dry dock, capacity 500 gross tons, approximately.
7. The International Fibre Board Company, Limited.
8. The Midland Wood Products Company.
9. The Midland Boat Works.
10. Machine and foundry shops—three.
11. Midland Steam Laundry.
12. Midland Whitewear Factory.
13. O'Hara Woollen Mill Company.
14. Cabinet works—two.
15. Dairies—three.
16. Creamery—one.
17. Terminal Shops Canadian National Railways.

Mr. MEIGHEN: Will any of the money which is being voted in connection with all of these items under the heading of Ontario be spent on the Belle River enterprise?

Mr. KING (Kootenay): I have nothing in the estimates for Belle River.

Mr. MEIGHEN: I know it is not under that name, but is the minister ceasing operations there?

Mr. KING (Kootenay): We are completing the dredging operations.

Mr. MEIGHEN: How will that work be done?

Mr. KING (Kootenay): Out of the dredging vote.

Mr. MEIGHEN: That is more skilful than putting it under the proper head. How much of the general vote is to be spent there?

Mr. KING (Kootenay): It will be discussed under the general vote when it comes up.

Mr. MEIGHEN: The minister has not anything in mind at the present time?

Mr. KING (Kootenay): I have no notes regarding it.

Mr. MEIGHEN: If there was anything, I would think the minister would never forget it. I want to say a few words as to the general character of this vote. It is very difficult for the individual member to know anything about the merits of a particular case; that responsibility is on the minister. Where particular votes have been under review they have not been seen to have very much merit so far. But with a lowering lake level, due probably in a major degree to the Chicago drainage canal, and perhaps due to some extent to the decimation of our forests, but, however caused, very considerable and very serious, is it not time the government rose to something like an appreciation of our present position, and ceased launching upon the responsibilities of opening new harbours and thus multiplying those for which we are already responsible—reopening those that have for years ceased to be harbours, and that the minister knows have ceased to be harbours?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: Yes. What about Kincardine? Has the minister ever seen that?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: Does he pretend that that is a harbour in use to-day, or that it has been in use for years? Why, it is only a joke to speak of it as having been in use for the past three years.

Mr. KING (Kootenay): Certainly it has been in use. It was allowed to get into disrepair by my right hon. friend's government.

Mr. MEIGHEN: I saw it last summer. I was told that for a long number of years not a boat had come in there. Yet we are pitching in $50,000 to repair that "harbour." Of course, with sufficient expenditure the place can no doubt be made fit for boats to call, but I do not know that they would do so even after the money is expended. I am not directing anything against Kincardine in particular, I am calling attention to the general policy of the government. With the increased cost piling up upon us because of the lowering lake level, is it sanity for us to be sinking thousands of dollars here and thousands of dollars there, starting upon responsibilities that we will be compelled to continue all over the country?—I mean this inland country that is affected by the lowering lake level. This lowering lake level is a very important consideration which does not seem to have dawned on the government. Another consideration is our general financial condition. With $52,000,000 odd shown by the very last returns of this government of lost revenue—lost because business in Canada is not very good—the government is down with an appropriation considerably larger and of a character which of all appropriations could easiest be done without. This very substantial increase is all of course to be secured by borrowed money. At many of these points it means entering upon a struggle, that is, in so far as it is a commercial object at all—I think the object is mainly political—it is entering upon a struggle to follow the course of nature downwards and keep on digging while the water sinks, involving increased responsibility every year, more harbours always to be dredged one year after the other. Would it not be wiser to select only those harbours that were absolutely essential to the general business of the country, keeping them in shape for that purpose? Is that what the government is doing?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: The minister knows it is not. Why, he is increasing them right along—for political purposes and nothing else at all.

Mr. KING (Kootenay): My right hon. friend stated a moment ago that we are increasing our expenditure this year. That is not true.

Mr. MEIGHEN: Look at the vote.

[Mr. Meighen.]

Mr. KING (Kootenay): There is a reduction of nearly $200,000 on public works. Last year we voted $18,789,000; this year we will vote $17,157,000.

Mr. GARLAND (Bow River): Including supplementaries?

Mr. KING (Kootenay): No, that is the main vote.

Mr. MEIGHEN: I know. We are at the Ontario vote, and that is the province from where I get my support, so I do not think I am actuated by any animosity towards it. The vote this year is $1,215,875, against $1,008,450 last year, and of course there will be the supplementaries.

Mr. KING (Kootenay): I explained that in my opening remarks—proper explanation too.

Mr. MEIGHEN: I heard it, but I did not have the same opinion of the explanation as the minister has. Then note what has been going on. For instance, $40,000 was voted last year and only $10,000 spent. What was the idea of putting $40,000 in the estimates? At another place there was a vote of $30,000 with only $15,000 spent, and at still another place a vote of $50,000 with only $16,000 spent.

Item agreed to.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 134, for the relief of Lillian Rebecca Mains.—Mr. Euler.

Bill No. 135, for the relief of Elizabeth Ruth Badgley Shaw.—Mr. Jacobs.

Bill No. 136, for the relief of Lilian Helena Caldwell.—Mr. Preston.

Bill No. 137, for the relief of Elizabeth Strachan Reid Harvey Strachan.—Mr. Garland (Carleton).

Bill No. 138, for the relief of Esther Charlotte Ancel.—Mr. Jacobs.

Bill No. 139, for the relief of Birdie Cohen Gould.—Mr. McMaster.

Bill No. 140, for the relief of Walter Roderick Wilson Robinson.—Mr. Elliott (Dundas).

SUPPLY

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

Oshawa—harbour improvements, $100,000.

Mr. MANION: Would the minister explain this item, which is rather a large one?

Mr. KING (Kootenay): This amount is required to carry on construction of new work that was before parliament last year. It is proposed to construct a breakwater and to have a harbour at Oshawa.

Mr. STEVENS: What is the total cost?

Mr. KING (Kootenay): This amount of $100,000 is required to complete the contract entered into with the Lumsden Engineering and Transport Company, Limited, for the construction of a breakwater 950 feet long and a return wing 70 feet long, the shore end, 450 feet, consisting of close piling and the balance rubblemound on a brush mattress, and towards further works in continuation of this development scheme. The work is estimated to cost $400,000 odd.

Mr. MANION: How much of that has been spent already?

Mr. KING (Kootenay): We spent last year out of the vote of $50,000, for harbour improvements $16,317.

Mr. MANION: That was the beginning of the work last year?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: When was it started?

Mr. KING (Kootenay): Last year; the contract was let last October.

Mr. GARLAND (Bow River): What is the vital necessity for this work?

Mr. MEIGHEN: I notice the minister is doing his best to mortgage the prospects of future governments in their struggle to pull the country out of debt. It is not the money that is being spent so much as the commitments that are being tied around the country's neck.

Mr. KING (Kootenay): There is no question but that Oshawa is one of the large manufacturing towns of Canada, and anyone who visits the place will be confirmed in that opinion. It is situated on the beautiful waterway known as lake Ontario; and one can readily see that there should be harbour works at that point and the people permitted to use the waterway which nature has given them. The expenditure, or the commitment as my right hon. friend terms it, may be a large one; but parliament has been voting these appropriations for many years and in its day the government of my right hon. friend did the same thing. The improvements at Oshawa have been under consideration for years, and reports have been made on the development needed there. The matter has been carefully gone into by the engineering department, and it is suggested that this development can be carried out for the amount of money in question. In regard to the importance of the port one need only refer to the statistics available. The customs returns for 1912-13 showed a total of $270,000, and in 1917-18 the amount shown was $3,500,000. It is one of the largest manufacturing towns, possibly in Canada, and a very good business centre. Undoubtedly the people there should have access to the lake and to the accommodation that will be available by the construction of this harbour.

Mr. MEIGHEN: I certainly would be the last to say anything against Oshawa. It is one of the finest and most progressive towns in the country, and a very large manufacturing centre. It owes its manufacturing importance though to the policy which my hon. friend has done his best to suppress, especially when out of office and—

Mr. KING (Kootenay): It is not being suppressed though.

Mr. MEIGHEN:—it will owe its industrial future to the same policy. No, it is not being suppressed very fast, I know that, especially in ridings where the members support the government. It will owe its future to that policy; it will not owe it to any pouring of public funds into the water or anywhere else. I do not know as to whether the natural physical conditions are there which would warrant a new harbour being dug out or not; that is something that would need examination to say. I certainly think that the existence of business is a justification for water facilities as well as for railway facilities. There is business in Oshawa all right, and we all would like to do everything within our power to advance the fortune of so splendid a place. All I draw the minister's attention to is this: These things are always started in a small way with not very much done. An eye kept open for the next election seems to be the minister's habit, and then just so much voted as he thinks will be necessary to elect the government candidate.

Mr. GOULD: I would ask the right hon. gentleman if members can be elected in that manner?

Mr. MEIGHEN: No, I do not think so. This government could not elect members in any manner now.

Mr. SPEAKMAN: Is it expected that this harbour will be a revenue producer to any extent? Will there be port dues or harbour dues in connection with the use of the harbour?

Mr. KING (Kootenay): Oshawa should be a great producer of trade and contribute to the development of commerce throughout Canada. To-day it shows a total tonnage of 321,500 tons, and it is estimated that 152,000 tons will be water borne. Hon. members can understand that in the case of a harbour producing such a heavy tonnage the development of trade will be an advantage not only to western Canada but to the whole country.

Mr. SPEAKMAN: That was hardly my point. I have no doubt that if the expenditure is justified at all it will result in increasing business. My point was rather as to the necessity of adopting a policy, in the case of harbour construction of this magnitude, of charging dues or fees for the use of the harbour facilities after they are created?

Mr. KING (Kootenay): Generally speaking in the case of lake ports very little in the way of harbour dues is collected. But such dues are collected in ports like Montreal, St. John, Halifax and Vancouver. In certain of the larger inland ports also certain dues have been collected. If, after this port is established, the amount of business would indicate that harbour dues should be collected and officials appointed, the harbour will be turned over to the Department of Marine and Fisheries which will appoint the necessary officials and collect such dues as may be determined. But take the harbour of Goderich, where there is a very large tonnage in wheat going through, the collections, as I indicated this afternoon, are practically nil, and that is true largely of the lake ports. In the port of Toronto the harbour commission collects dues. At Port Arthur and Fort William, and other ports of that character the collections by the department are very small. Nevertheless the facilities at these ports give accommodation to the grain fleet and promote the movement of grain through the ports each year.

Mr. SPEAKMAN: That was my reason for asking the question. This afternoon the minister stated that at some ports, particularly at the smaller points, the amount of business was not sufficient to make it worth while to keep a collector there. But in the case of a harbour serving such an important centre as Oshawa, and which it is admitted will cost anywhere in the vicinity of half a million dollars, I would suggest that it would be sound policy to apply the same rules as are carried out in the case of the ocean ports. I agree with what was said this afternoon in that respect; that it is simply impossible to keep on adding to the harbour facilities in inland waters to the extent that we are doing to-day without charging a fee for the service. Frankly I cannot see the justice—and I did not mention it in connection with the small items because I saw the force of the minister's remark in those cases—of the country mortgaging its future to supply harbour accommodation on this scale for any town or any community without making it revenue producing in some respects. I cannot see why dues should be charged in ocean ports and not charged in inland ports of such magnitude as this. Therefore I suggest, if we intend to keep on providing such facilities and spending sums running up into the millions of dollars for the purpose, we will be obliged in self defence to make these harbours revenue producing, to the extent at least that they will carry a portion of the load.

Mr. KING (Kootenay): The discussion in connection with harbours has been very interesting and very instructive. However, I doubt whether the application of the system followed in the case of ocean ports to ports in inland waters will bring about any great results. Much of the traffic developed in the case of Oshawa will be local. At the same time ships crossing the lakes from United States ports will enter the harbour, as will also vessels passing up and down the lakes. Nevertheless, the tonnage entering the harbour will not be in the same category as tonnage passing in or out Atlantic or Pacific ports. And the dues collected in our ocean ports are largely in line with similar dues in other ports of the world. The hon. member for Marquette (Mr. Crerar) this afternoon indicated that a charge should be made for warehouses erected by the government. It was shown, however, that in the case of Goderich the tonnage amounted to 600 tons. At ten cents a ton for warehousing, which would be a fair charge, the revenue would only be $60 a year. But it is said "Why do the people interested not provide the accommodation themselves?" If the people were so organized that these facilities

could be provided through the municipality it would be all right; but if you allow your wharf or other structure to be used by individual steamship lines they immediately take hold of it and make it useful for their own purposes.

If we should adopt the argument advanced by some hon. members on the other side of the House, then we would go back to the days of toll-gates on our roads and bridges, when the people who used those facilities had to pay. I do not think it is the desire of parliament to make a retrograde step of that kind. These harbours and the business that goes in and out of them is all a part of the commerce of the nation, and as far as a development of this character is concerned, if the tonnage is such as we hope it will be, I would be very glad to consider if some revenue could not come to the Dominion treasury from the expenditure made at this point. My right hon. friend, the leader of the opposition, in criticizing the expenditure at Kincardine this afternoon, said that we should not reconstruct that harbour. It was a good harbour before confederation, when the people of Ontario expended large sums of money upon it, and that is true of other harbours. As far as this harbour is concerned, I think it would be a great mistake to allow the works there to go into disuse. There is an important Canadian industry there, producing a hundred tons of salt per day, and if the facilities in the harbour are not maintained that industry will go out of business. I do not think it is wise to suggest that this or any other government in Canada should cease development at the present time. Canada needs development and the introduction of new lines of industry. I think my hon. friend's remarks are quite in order, consideration will be given to them, and when this harbour is developed it will be for the government of that day to consider whether tolls should be properly charged.

Mr. MACLEAN (York): When the ocean steamships are enabled to come up from Montreal through the waters of lake Ontario, it will follow as a consequence that the government will be called upon to make seaports of all these harbours now being created in our inland waters, and the minister ought to be preparing himself for such a contingency.

Mr. SPEAKMAN: I would hardly expect, if there is only thirteen feet of water in the vicinity of these harbours, that we would ever be called upon to make them seaports; and I would suggest that if the available tonnage in any port warrants the expenditure of $400,000 or $500,000, a fair charge for the use of these facilities should be made. The comparison drawn by the minister between such ports and municipal undertakings such as bridges and roads is hardly a fair comparison, because as a matter of fact the bridges and roads are built and maintained to a very large extent at the expense of the municipalities. The minister suggests that these ports are largely for local use and paid for, not by the community, but by the country as a whole, and therefore the two situations are not comparable. I believe it would be wise for the government to inaugurate, now or in the near future, the policy that when the tonnage reaches a point which would warrant such large expenditure, it should be distinctly understood that a fair fee should be charged for the use of these facilities. It would have two good effects. In the first place it would be partially self-supporting, and in the second place the government would not receive applications from all kinds of places for large expenditures, if those communities knew that the expenditure would be partially paid for by themselves.

Mr. MANION: The minister spoke of the tolls at the head of the lakes. Could the minister tell me where I could get the figures of any collections made at those ports. I do not suppose the figures are very large, but I desire to point out to my hon. friend from Red Deer, that if we start charging at the lake ports we could hardly discriminate between one port and another; and if we charge heavy tolls or any tolls worth while, say for example at the head of the lakes, it makes another charge upon the grain, because my hon. friend knows that five-sixths of the grain from the prairie provinces passes through the head of the lakes, and possibly it would make too heavy a charge on the grain going to Europe. Can the minister tell me where I can get the figures as to the collections made from the harbours at the head of the Great Lakes?

Mr. KING (Kootenay): The Marine department would have that information, but I have a statement here that in 1922 there was collected at Port Arthur $143 and in 1923 $308.

Mr. MANION: At Port Arthur?

Mr. KING (Kootenay): Yes. I do not think I have the Fort William figures. Probably they are both included in this.

Mr. MANION: I hope the minister has not employed an agent to collect these charges.

Mr. KING (Kootenay): No, I think it is done through the Marine agent there. If we applied the same principle to the lake ports that we apply to Montreal and Quebec, then the tonnage coming in would be assessed and that would naturally have to come from the products coming through those ports. The discussion is interesting, and I think there is a good deal in it. A large expenditure of $400,000 or $500,000 probably should yield something to the treasury in the way of port charges or dues of some kind.

Mr. SPEAKMAN: The remarks of my hon. friend in connection with the grain coming through the head of the lakes are appropriate; but the growers of grain, who will undoubtedly be called upon to pay a part of these charges, as far as I have been able to learn, are willing that the grain should pay its fair proportion of charges everywhere, provided all other industries in this country pay their fair proportion of charges.

Mr. LUCAS: Could the minister state the amount of tonnage coming through this port at the present time?

Mr. KING (Kootenay): The present tonnage coming through the port is 321,500 tons.

Mr. LUCAS: Is that rail tonnage or ocean tonnage?

Mr. KING (Kootenay): It is rail tonnage. It is estimated that with the construction of the harbour 152,500 tons of water borne traffic will pass through.

Item agreed to.

Owen Sound—dredging, $83,000.

Mr. GARLAND (Bow River): This is a new work. Will the minister explain the item?

Mr. KING (Kootenay): The sum of $83,000 is asked for dredging, of which $75,000 is a revote, having lapsed in 1923-24. This is required to dredge the approach to an elevator that is now being constructed under the auspices of the municipality of Owen Sound. Our treatment here is the same as is being given in other cases, and is in accordance with the policy pursued by the department for years in the matter of providing facilities for the elevators at Port Arthur and Fort William.

Mr. LEWIS: How does dredging come under the Public Works department? We have other items of dredging scattered all through the estimates. I think all these items should come under one head, and then we would know how much money we were spending on the dredging of lakes and rivers.

Mr. MEIGHEN: You will never know.

Mr. KING (Kootenay): I think the Public Works department are in control and in charge of all the dredging in Canada, except that dredging which relates to the St. Lawrence ship channel and dredging in some railway operations or for canals and railway piers. Outside of that, the dredging is under the Public Works department.

Mr. STEVENS: I understand the municipality of Owen Sound is constructing a very large elevator costing, I think, in the neighbourhood of a million dollars.

Mr. KING (Kootenay): It is costing $450,000.

Mr. STEVENS: The total outlay by the municipality was, I think, about a million dollars. Will this dredging serve that elevator?

Mr. KING (Kootenay): Yes. The city of Owen Sound have passed a bylaw to raise $450,000, and they are constructing an elevator. It is to give entrance to this elevator that the money is being voted.

Mr. HOEY: Will the $83,000 complete the work?

Mr. KING (Kootenay): It will complete the dredging. I find on recent representations that we shall require an additional vote in our supplementaries to put down piling to protect the channel. That matter will come up later. It will be about $15,000.

Mr. KENNEDY (Edmonton): Is this a grain elevator?

Mr. KING (Kootenay): Yes.

Mr. KENNEDY (Edmonton): Why is the municipality building this grain elevator there? Is it really a necessity for the movement of western grain or is it something that is local?

Mr. KING (Kootenay): There is undoubtedly a necessity for further grain handling facilities on the Great Lakes. The city of Owen Sound have apparently sufficient confidence in the grain movement and the importance of an elevator to that community to ask the ratepayers to endorse, as the city council has endorsed, an expenditure of $450,-

000 for an elevator. This will not only serve the community by supplying grain and feed to farmers and local millers, but it will be a factor in the transhipment of grain from Port Arthur across the Atlantic.

Mr. BOYS: The town of Collingwood is contemplating something of the same kind, under a recent act passed by the Ontario legislature permitting municipalities to issue debentures for that purpose. The minister might think over that when he is considering the request of Collingwood for increased facilities.

Mr. WARD: I do not think the minister is serious when he contends that grain would be forwarded from Owen Sound across to any of the ocean ports, because we all know that it was stated that in days gone by elevators there were allowed to burn down because they were of no value. The Canadian Pacific, owing to the heavy grades that have to be surmounted in order to get out of the valley, found it impossible to haul grain from that port. Consequently, there has been no grain movement from Owen Sound for over twenty years. I was born and raised in that city and I know something about it. I am somewhat surprised to find these large votes. I was surprised at the hon. member for South Simcoe (Mr. Boys) making some references to the port of Collingwood this afternoon. Since coming to Ottawa I make a yearly visit to nearly all these ports, and I have no hesitation in saying that there is not fifty per cent of the trade in and out of Collingwood, Owen Sound or any other port on that side of Georgian bay following into lake Huron that there was thirty years ago. The hon. member spoke of the building of ships at Collingwood. There is not one ship built in that town to-day for every ten that were built twenty-five years ago.

Mr. BOYS: My hon. friend is entirely in error in his statement.

Mr. WARD: Not at all. When I was a boy I used to visit the port of Collingwood and ships were being built there all the time.

Mr. BOYS: That is so long ago we do not know what was going on.

Mr. WARD: As regards these ports along the shores of Georgian bay, I am at a loss to know why expenditures are being made.

Mr. BOYS: The Royalton, one of the finest boats sailing on the Great Lakes, was launched at Collingwood, last year and to-day there are three boats on the stocks.

Mr. WARD: How many ships have been built in Collingwood in the last ten years?

Mr. BOYS. How does my hon. friend expect me at the moment to answer a question like that? I do not live at Collingwood, but I know, with the exception of the last year or two, things have been extremely lively. Last year the Royalton was built, and at the present time there is work going on there. I regret to say there is nothing in sight at the moment after these three ships. Therefore, I want to urge upon the government to do something in the interest of shipbuilding at that wonderful plant at Collingwood and elsewhere. If the hon. member knows anything about Collingwood, he knows I am not exaggerating when I say it is a wonderful plant. Does the hon. member suggest for a moment there is not grain coming down the Great Lakes and going from Collingwood to Montreal?

Mr. WARD: Yes.

Mr. BOYS: Does he know what quantity of grain was handled there last year and the year before?

Mr. WARD: The hon. member told us before dinner.

Mr. BOYS: I certainly did. I do not know whether the hon. member heard me or not, but if he did, he cannot have paid much attention to what I said.

The CHAIRMAN: This vote is for Owen Sound, not Collingwood.

Mr. WARD: Quite true. This is a very large vote. I understand the elevator being built by the municipality of Owen Sound is being built purely for the purpose of handling feed grains, not wheat, with the exception of a small percentage of wheat that will be milled locally. It is being built by the municipality for the purpose of serving the country surrounding the city of Owen Sound. It is a sort of distributing centre for coarse grain. Many of the statements that have been made here are decidedly overdrawn. I can recall the days when I was a boy, when at least twice as much shipping was going in and out of any of those ports as there is to-day. I find, on looking over the estimates for years back, we have been spending a great deal of money on those ports, and I wonder sometimes what we have been spending it for.

Item agreed to.

Pelee island—wharf extension, $28,000.

Mr. KING (Kootenay): This is to complete a contract entered into with Mr. Ed Conroy of Peterborough for the construction of a stone-filled timber cribwork extension with concrete superstructure to the existing west pier, 100 feet long by 40 feet wide. The amount of the contract is $32,757.50 and the allowance for inspection and contingencies, $1,000, making a total of $33,757.50. The amount spent in 1923-24 was $252.01, and the amount spent in 1924-25 was $5,705.12, making a total of $5,957.13. The amount required to complete the contract is $28,000.

Mr. MEIGHEN: Does the minister not think he is doing a good deal for his colleague the Minister of Railways and Canals (Mr. Graham)?

Mr. KING (Kootenay): Not too much.

Mr. MEIGHEN: Would he enumerate what he is doing for the Minister of Labour (Mr. Murdock)? I am very much concerned about him. Why has the minister gone so slowly at the work? In two years only a little money has been spent, and now he wants just for one year five times as much as has been spent in two years. Can the minister not think of any reason?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: The only reason the minister can give is one that he does not like to express.

Mr. KING (Kootenay): Tenders were called for in 1923 and the figures quoted were considered too high. But the contract was let at the end of 1924.

Mr. MEIGHEN: And how much was spent after that?

Mr. KING (Kootenay): The sum of $5,700.

Mr. MEIGHEN: Why the division of $5,000 last year and $28,000 this year?

Mr. KING (Kootenay): We are completing the contract this year.

Mr. MEIGHEN: But why such an uneven division? Is that the preference of the member who represents the riding?

Mr. KING (Kootenay): Every effort was made to press the contractor to get the work completed last fall. The crib is completed and is afloat in the harbour but owing to the unfavourable condition of the weather it could not be towed over to Pelee island after it had been constructed; the contractor preferred not to take the risk of towing it. On that account the contract has been delayed, and that I think is a reasonable and good excuse.

Mr. BOYS: On what date was the contract to be completed, according to the agreement?

Mr. KING (Kootenay): Completion was called for in November last, but it was shown after the crib had been constructed that it was impossible to tow it to Pelee island. It was late in the fall and, as I have already stated, the contractor did not like taking the risk of towing it. The department therefore consented to allow it to remain until the spring.

Mr. BOYS: The contract was let in May and up to November we are to understand that only $5,000 had been earned on it.

Mr. KING (Kootenay): That is true.

Mr. BOYS: It is evident therefore that the contractor had not been very diligent.

Mr. GRAHAM: That is what I said.

Mr. BOYS: And the minister says that the contract called for completion of the work in November.

Mr. KING (Kootenay): Yes.

Mr. BOYS: Most contractors want to complete their work and get their cheques as soon as possible. This contract was let in May, the best time of year I can think of in which to rush the work so as to get it done in November, when the contractor must have felt he could finish it. Yet all that he earns up to November is $5,000. Was the department making any effort to expedite the contract?

Mr. KING (Kootenay): I have already said that the department had pressed the contractor to get the work completed in the fall; but the crib, which was built at Kingsville some miles from Pelee island, was not in a position to be towed until late in October, when the contractor considered it would not be safe to take the risk. He asked for more time and as a matter of precaution we felt that he was entitled to it. We are merely asking for a vote to complete the contract.

Mr. BOYS: What penalty did the contract provide in case of failure to complete the work within the specified time?

Mr. KING (Kootenay): There was no penalty exacted. In the judgment of the engineers and of the officials the time was extended, and the contract will be completed during the present season.

Mr. BOYS: The contractor was supposed to start in May. When did he actually begin?

Mr. KING (Kootenay): I have not the exact date. After orders in council are passed and contracts are drawn, there is always a lapse of time before the signing of the agreement.

Mr. MEIGHEN: That is not a very good explanation for the work not having been completed within the stated time. The minister said that the contract was signed in May and the work was to be finished in November, and we find that by November there was a little less than one sixth of it done. Has the contractor towed the crib over to Pelee island yet?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: Has he been afraid of the warm weather this spring?

Mr. KING (Kootenay): The weather so far really has not warranted its being towed.

Mr. MEIGHEN: What sort of weather is needed for the removal of the crib—election weather?

Mr. KING (Kootenay): There must be favourable conditions. My right hon. friend is not misleading anyone.

Mr. MEIGHEN: No, he never was.

Mr. KING (Kootenay): He will move the crib when the weather is favourable, and I hope he will take every precaution to see that it arrives safely.

Item agreed to.

Pembroke—wharf replacement and dredging, $64,500.

Mr. GARDINER: Will the minister explain this item?

Mr. KING (Kootenay): This will complete the contract.

Mr. LEWIS: How much was spent last year?

Mr. KING (Kootenay): We spent $39,500.

Mr. GARDINER: What expenditures have there been in the last few years?

Mr. KING (Kootenay): In 1923-24 we spent $19,955 and in 1924-25, $39,500. We are asking this year for $64,500, of which $10,500 will be a re-vote.

Mr. GARDINER: What were the expenditures in 1921-22 and 1922-23?

Mr. KING (Kootenay): There has been an expenditure on construction of $45,197 and on repairs, of $43,329. A total of $88,526 up to March 31, 1924.

Mr. MEIGHEN: For one year?

Mr. KING (Kootenay): No, for construction down to date.

Mr. MEIGHEN: But was there nothing for 1921-22?

Mr. GARLAND (Bow River): Does the minister mean to say that from confederation down to the present time the total expenditure has been only $88,000?

Mr. KING (Kootenay): To March 1924, yes; that is from the early days of construction.

Mr. MEIGHEN: How much was spent last year?

Mr. KING (Kootenay): We spent $19,000 in 1923-24.

Mr. MEIGHEN: And the year before?

Mr. KING (Kootenay): Nothing the year before.

Mr. LEWIS: Why have the expenditures been so great during the last two or three years?

Mr. KING (Kootenay): The works are in a state of decay and a renewal of the old construction is needed.

Mr. LEWIS: This will complete the work?

Mr. KING (Kootenay): Yes. The engineer reports that the present structure, notwithstanding repeated repairs, must be replaced, as the traffic at this point necessitates wharfage accommodation of a permanent character. The steamboat Oiseau makes four return trips weekly, handling passengers and general freight. The ferry boat operating between Pembroke and Desjardins makes eight to twelve return trips daily, except Sundays, from about April 15 to November 30. The wharf also serves as headquarters for the boats of the Upper Ottawa Improvement Company, engaged in log-driving operations, as well as a great many launches, and accommodates all the traffic of men and large quantities of supplies to these boats. A very large traffic of delivery vehicles and automobiles to the steamboats, ferry and launches is also provided for. A traffic count, while the wharf was undergoing repairs in June, indicated a weekly traffic of 408 motor cars, 241 single horse rigs and 288 double horse rigs, or 937 vehicles and 2,497 passengers.

Mr. LEWIS: Is this the first dredging to be done in this particular area?

Mr. KING (Kootenay): Yes, some dredging is included in this amount.

Mr. STEVENS: What will it take to complete the contract?

Mr. KING (Kootenay): It will take $64,500.

Mr. BOYS: What was the amount of the original contract?

Mr. KING (Kootenay): It was $116,718.

Mr. STEVENS: When was that entered into?

Mr. KING (Kootenay): In 1923 and 1924.

Mr. GARLAND (Bow River): The minister states that this $64,500 will complete the contract. Is another project in contemplation?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): This will finish all the work contemplated?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): What a relief!

Item agreed to.

Petawawa—wharf repairs, $1,800.

Mr. GARLAND (Bow River): What is this vote for?

Mr. KING (Kootenay): To replace a truss bridge six feet wide by a truss bridge twenty feet wide.

Mr. GARLAND (Bow River): What is this wharf used for?

Mr. KING (Kootenay): A steamer service between Pembroke and this point. This is a military camp and also a summer resort.

Mr. GARLAND (Bow River): It is just a tourist wharf?

Mr. KING (Kootenay): No, there is a very large government camp at Petawawa.

Item agreed to.

Point Edward—dredging, $30,000.

Mr. KING (Kootenay): It is proposed to construct an elevator at this point with a capacity of one million bushels adjacent to the site of the elevator that was destroyed by fire some years ago.

Mr. BOYS: Where is it?

Mr. KING (Kootenay): In Lambton county just above Sarnia. This is in line with the policy that is being followed at Owen Sound and Port Arthur—providing a slip for the use of the elevator in receiving and discharging cargo.

Mr. LEWIS: Is this to be dredged?

[Mr. J. H. King.]

Mr. KING (Kootenay): If the elevator is not constructed we will not do any dredging.

Sir HENRY DRAYTON: Who is building the elevator?

Mr. KING (Kootenay): C. S. Band, a large grain merchant of Toronto and others.

Sir HENRY DRAYTON: This elevator is going to be put up for commercial purposes?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: It is quite proper that you should look after the elevator.

Mr. KENNEDY (West Edmonton): Is it a municipal elevator?

Mr. KING (Kootenay): It is a private elevator. It will cost us nothing.

Item agreed to.

Port Burwell—reconstruction of and repairs to piers, $97,100.

Mr. STEVENS: What is the explanation of this large sum?

Mr. KING (Kootenay): It is a revote:

(1) To complete the contract with the Bourassa-Clifford Corporation, Ltd., for the reconstruction of 271 feet of the inner end of the east pier, to be 24 feet wide..		$10,000
(2) Reconstruction of superstructure and reinforcing substructure with piles along each face of an additional section of east pier 470 lineal feet 24 feet wide, to consist of concrete superstructure, present substructure reinforced at $175 per lineal feet..	$82,250	
Inspection..	750	
		83,000
(3) Reconstruction of superstructure of outer portion of west pier—replacing face timbers in 120 feet length near inner end of west pier; redecking 110 lineal feet of said pier; placing 4 new mooring posts; painting 18 mooring posts and renewing 200 lineal feet walling and sheet pile wall east side of harbour 37,000 feet B.M. timber at $100..	$3,700	
4 new mooring posts—painting 18..	100	
1,200 feet B.M. W. O. Wales at $150-$180; Inspection and incidentals $120..	300	
		4,100
Total..		$97,100

Mr. BOYS: What county is Port Burwell in?

Mr. KING (Kootenay): East Elgin.

Mr. STEVENS: How much has been spent on this already, how much will be required to complete the work, and what then will be the total cost?

Mr. KING (Kootenay): This will complete the present contract. Last year we spent $32,121.70. This $97,000 will complete the work in hand now.

Mr. WARD: When was this work first begun?

Mr. KING (Kootenay): I have not the date. I think it is an old port dating back to confederation. Up to March 31, 1924, $1,022,000 had been expended. The revenue for the port to March 31, 1921, was $2,211,908.

Mr. GARLAND (Bow River): Is the total expenditure of $1,022,000 correct?

Mr. KING (Kootenay): Yes, that is the total expenditure on the port to date, exclusive of the vote we are asking for now.

Mr. BOYS: That is a port through which a large quantity of coal is brought in by the Canadian Pacific, I think.

Mr. KING (Kootenay): Yes.

Mr. WARD: Has the minister the total tonnage of coal and fish that passes through this harbour?

Mr. KING (Kootenay): In the year 1922-1923 there were 224,446 tons of coal brought in, with a revenue of $103,457. The total number of cars of merchandise was as follows: August, 668 cars, 32,000 tons; September, 660 cars, 31,000 tons; October, 850, 41,000 tons.

Mr. BOYS: Am I right, that coal is brought in there almost entirely by the Canadian Pacific?

Mr. KING (Kootenay): Yes, practically.

Mr. WARD: Has the minister the figures for fish at that port?

Mr. KING (Kootenay): No.

Mr. COOTE: The minister mentioned revenue collected at that port; is that customs revenue?

Mr. KING (Kootenay): Customs revenue.

Mr. COOTE: Anyone reading Hansard might think it was revenue that was collected by the port.

Mr. KING (Kootenay): No, it is customs revenue.

Item agreed to.

Port Colborne—repairs to breakwater, $5,500.

Mr. STEVENS: Is this part of a contract?

Mr. KING (Kootenay): Yes, it is to complete the contract.

Mr. GARLAND (Bow River): Is this hardy annual likely to bloom much longer?

Mr. KING (Kootenay): This is at the entrance to the Welland canal, and I expect there will be expenditures from time to time at Port Colborne. But this will complete the present contract.

Item agreed to.

Port Maitland—repairs to piers, $195,000.

Mr. BOYS: Where is Port Maitland?

Mr. KING (Kootenay): In Haldimand county.

Mr. STEVENS: What is the explanation of this vote?

Mr. KING (Kootenay): This will complete the reconstruction of the west pier at a cost of $2,500 and complete the contract with A. W. Roberston, Limited, for the reconstruction of the east pier at a cost of $189,460. Then there is $3,000 odd for inspection and contingencies.

Mr. STEVENS: What will be the total cost of the work?

Mr. KING (Kootenay): We spent last year about $26,000, which, added to the amount here, would give the total for reconstruction at that point.

Mr. STEVENS: This is a large sum. I would like to know what there is at the port to justify this contract for $220,000 odd.

Mr. KING (Kootenay): This is a rather important point. It is situated at the mouth of the Grand river on lake Erie five miles from the town of Dunnville, and the car ferry terminals and yards of the Toronto, Hamilton and Buffalo Railway Company are situated at this point. There is a 600-foot turning basin in the inner harbour and a deep water channel extending a considerable distance up the river. There are two piers forming a lake channel 170 feet wide. The west pier is of concrete construction extending out into the lake 1,400 feet, and the east pier of wooden construction extending out 1,175 feet. There is a lighthouse on the outer end of the westerly pier and a fog signal at the inner end. These piers were constructed in 1878 by the Public Works department, and the east pier reconstructed in 1907 at an approximate expenditure of $63,000. Since 1918 the above-mentioned car ferry company and others have been urgently pressing to have these piers reconstructed owing to their dilapidated condition which, they stated, amounted to a state of decay and disintegration, forming a menace

to navigation and allowing the harbour to become filled up by siltation.

In 1923 the Toronto, Hamilton and Buffalo Railway Company handled 8,618 loaded cars on their ferry northbound into Port Maitland, a total of 470,296 tons, and southbound out of Port Maitland, 2,212 cars, a total of 58,761 tons.

This company has incurred a capital expenditure of $1,500,000, inaugurating its cross lake ferry service and terminals, and is giving fast and efficient service unequalled by any of the other ferry services on the lake.

Mr. STEVENS: Is there any revenue derived from this port?

Mr. KING (Kootenay): The only revenue would be customs revenue, and I have not the figures for that.

Mr. STEVENS: Do I understand that the Dominion parliament constructs the car ferry wharves for this car ferry company?

Mr. KING (Kootenay): We construct the piers and works that make up the harbour, but the car ferry company construct their own piers for the handling of their traffic.

Mr. LEWIS: What head did this come under last year? I cannot find it in the main or supplementary estimates?

Mr. KING (Kootenay): It was shown in the railway estimates last year, an item for $75,000.

Mr. GOULD: We are now right at the eastern end of lake Erie, and before we go through the Welland canal or over Niagara falls, I should like to make an observation. Why hon. members representing constituencies in Ontario should worry about these expenditures I do not know, because I notice Ontario is receiving $207,425 more this year than last. Whatever significance there may be attached to that, whether it is because the government in the past two or three years has neglected these harbours and rivers and wharves and piers in Ontario, I do not know, but hon. members from Ontario should not worry, seeing that they are getting $207,425 more this year than last, and particularly when $63,765 of that $207,425 is made up by taking it from the three western provinces. There is $41,670 less for Manitoba this year than last, and $22,095 less for Saskatchewan and Alberta.

Mr. BOYS: You deserve better treatment.

Mr. GOULD: We must not suggest that these things are not distributed equitably. I do know that we have not as many harbours and rivers and lakes and wharves on the prairies as they have in the eastern provinces, but in addition to this increased expenditure for the province of Ontario, I notice an increase also in the expenditure for Quebec and Nova Scotia.

Mr. DUFF: Nova Scotia is half a million less than last year.

Mr. GOULD: The supplementaries are not down yet. I have always noticed that in connection with Nova Scotia the supplementary estimates invariably speak with a very loud voice. However, what I wished to say was this: Seeing that we are at peace and passing these estimates in a very nice, mild manner, that the facts are as I have stated, that there is a wonderful increase here but a decrease in the case of the western provinces, I hope that we may reasonably expect to have some consideration extended to us when the railway rate question comes up.

Mr. DUFF: We are building railways for you in the west.

Mr. GOULD: We are paying for all we get.

Mr. GARLAND (Bow River): What has been the total amount expended on this port from the commencement?

Mr. SPEAKMAN: While the minister is looking up that information I should like to tell the hon. member for Lunenburg that his comparison between the construction of wharves in the eastern provinces and the construction of railways in the western provinces would be a perfectly sound one were the service offered on the same terms; in other words that no charge were made for the use of the railways in the western provinces, the service in this respect being in the same class with wharves and harbours in the eastern provinces.

Mr. DUFF: In the first place my hon. friend is out of order in not addressing me through the chair; and in the next place I wish to tell my hon. friend that we pay for the wharves in Nova Scotia.

Mr. SPEAKMAN: Mr. Chairman, I asked the minister if any charge was made for the use of these wharves and he assured me there was not. I am glad to hear from the hon. member for Lunenburg that the minister was mistaken.

Mr. DUFF: If the minister builds wharves down there they are put under the charge of the Department of Marine and Fisheries and it collects the dues. Will that satisfy my hon. friend?

Mr. KELLNER: Will the minister tell me what amount of dues was collected in this harbour?

Mr. KING (Kootenay): I am sorry I have not the information as to the early expenditures that were made on this harbour. Formerly it was under the Department of Railways and Canals, but last year it was transferred to the Department of Public Works.

Mr. GARLAND (Bow River): With reference to the ferry traffic to which the minister referred, I take it that is a subsidiary ferry to the Canadian Pacific, is it?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): Indeed the most of this work is done in the interest of the Canadian Pacific. Would the minister state any work done that is not to the advantage of the Canadian Pacific at that place?

Mr. KING (Kootenay): Oh, yes.

Mr. GARLAND (Bow River): What is it?

Mr. KING (Kootenay): There is a large tonnage that comes in there consisting of coal, steel, brick, sand, chemicals, oil and miscellaneous articles.

Mr. GARLAND (Bow River): That is all Canadian Pacific freight.

Mr. KING (Kootenay): They are commodities that the people use, and in that way are an advantage to them.

Mr. GARLAND (Bow River): What wharfage charge is made to the Canadian Pacific for the use of the wharves?

Mr. KING (Kootenay): They have their own loading equipment; they provide their own facilities. We are dealing here with the piers that go to protect the harbour.

Mr. GARLAND (Bow River): Have the government any wharves there at all?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): Therefore the government would not be in a position to charge any dues.

Mr. KING (Kootenay): No.

Item agreed to.

Port Stanley—harbour improvements and repairs, $90,000.

Mr. STEVENS: Would the minister give an explanation of this item?

Mr. KING (Kootenay): This amount of $90,000 is required to provide for urgent repairs and renewals to existing works and to continue the harbour improvement scheme commenced in 1923. For urgent repairs and renewals to existing works the sum of $3,250 will be required. In the case of a new contract to be let for a 700 foot extension to the east breakwater, two 50 foot checkwaters of rubble mound, removal of old east pier and deepening entrance channel, the total estimated cost is $181,000, and the allotment for 1925-26 is $86,750, making a total of $90,000.

Mr. GARDINER: What amount has been expended on this particular work from the commencement?

Mr. KING (Kootenay): The sum of $958,660 has been spent up to March 31, 1924, in construction, repairs and dredging at this point.

Mr. COOTE: What tonnage is handled through this port, and what are the principal commodities?

Mr. KING (Kootenay): The bulk of the tonnage is shipped in bond to inland ports. In 1923 there was a total tonnage of 329,000 tons.

Mr. BOYS: Is not that brought in from Cleveland by water?

Mr. KING (Kootenay): Yes. There is considerable coal and steel tonnage brought in.

Mr. COOTE: What railway brings the coal in, the Canadian National or the Canadian Pacific?

Mr. KING (Kootenay): It comes by car ferry to that point, I think via the Père Marquette.

Mr. COOTE: Would the minister advise us whether any tolls or dues were collected at this harbour?

Mr. KING (Kootenay): Yes, we collected the sum of $14 in 1922, and the sum of $21 in 1923.

Some hon. MEMBERS: Oh, oh.

Mr. GRAHAM: An increase of 50 per cent.

Mr. KELLNER: Would the minister send that information to the member for Lunenburg. I think he ought to have it.

Mr. GARDINER: The minister stated that up to March 31, 1924, the total expenditure amounted to $958,000. When was that work first commenced?

Mr. KING (Kootenay): It goes back pretty well to the time of confederation or before that date. It is an old harbour.

Mr. GARLAND (Bow River): I simply wish to call the minister's attention, as quietly as I can, to the fact that he has been able to give

us, and I congratulate him upon it, a good deal of information this afternoon. That information he gave very courteously. In many cases he was able to give us the total expenditure, but in one or two instances he failed to do so. In many cases he was also unable to tell us what year the work was commenced. I wonder if there can be any explanation of that. Possibly the people were a little more careless in the early days.

Mr. KING (Kootenay): Of course there ought to be uniformity with respect to any information presented to the House, as to the date of the original expenditures, and so on. But in the case of work which started even before confederation to give details of this work from year to year, or even to ascertain the date of commencement, would involve a good deal of trouble and would serve no useful purpose.

Mr. GARLAND (Bow River): Oh yes, it would serve a very useful purpose.

Mr. KING (Kootenay): To give the original date of construction?

Mr. GARLAND (Bow River): Yes, it would show the unwisdom of some former governments and we might profit therefrom to-day. I would suggest the minister might have that matter looked into.

Mr. KING (Kootenay): I would be very glad to.

Mr. GARLAND (Bow River): I do not wish to embarrass the minister, but there have been some serious comments in the press and in other quarters on the lack of information by previous Ministers of Public Works. I congratulate the present minister on the fuller information he has made available to the House; but I suggest that it is quite a simple matter to include, on request, in his statement of expenditures, the date of the commencement of a particular work—a dock, a breakwater, or anything else—also the total cost to date, the amount of the present estimate, and the total expenditure expected to be made on the particular work before it is completed. The House would then be in a position to understand what was involved. We are voting millions every year, sometimes tens of thousands in one item. We do not know how much it is costing the country. We find one item costing a million and another $980,000 and so on. If we looked into all the items we would find the total would be five or six millions.

Item agreed to.

[Mr. E. J. Garland.]

Providence Bay—wharf repairs, $2,100.

Mr. COOTE: Where is Providence Bay?

Mr. KING (Kootenay): Algoma East.

Mr. MEIGHEN: I do not think one item should be taken up until the preceding item is carried. This Providence Bay seems to be in the same place as Blind River. This is a new item, not in last year's estimates at all. What pressure was brought to bear to get this item put in the estimates?

Mr. KING (Kootenay): The details of this item are:

Repairs and renewals to an existing structure. District engineer reports:

These repairs are required to keep the structure in safe condition for use. The yearly traffic consists of 150 tons dairy produce. Fish and so forth and 600 head live stock exported, and 600 tons general merchandise imported. Total value is $125,000. Therefore the commercial necessity is undoubted.

Mr. MEIGHEN: Is there any railway into the place?

Mr. KING (Kootenay): No, I think not. It is on an island.

Mr. CARRUTHERS: It is the only lake port on the south shore of Manitoulin island. There is a line of boats running from Bruce peninsula to that point, and it is also a harbour of refuge. Unfortunately it is in rather an exposed position, not a very good harbour, and in the winter time, and also in the spring of the year on account of the movement of the ice, it gets out of repair. I do not know of any wharf that requires repairs more than this. There is no railway within fifty miles of it. The harbour is the only way they have of getting their produce out.

Item agreed to.

Rainy River—wharf repairs, $2,800.

Mr. KING (Kootenay): This is in Fort William and Rainy River. The wharf requires repairs in places and some of the timbers are apparently in a decayed condition.

Item agreed to.

Rondeau—repairs to piers, $7,000.

Mr. KING (Kootenay): This is required for urgent repairs and renewals to the decking, face timbers and cross ties of the east and west piers and to repair existing shore protection for a length of 150 lineal feet.

Mr. STEVENS: Where is that?

Mr. KING (Kootenay): In the county of Kent.

Mr. STEVENS: Who represents that county?

Item agreed to.

Sault Ste. Marie—wharf repairs, $4,000.

Mr. GARLAND (Bow River): Any explanation of this?

Mr. KING (Kootenay): General minor repairs to walling and roadway approach of wharf, $1,000; repairs to old warehouse, replacing roof, $3,000, total $4,000.

Item agreed to.

Saugeen river—repairs to harbour works, $5,000.

Mr. GOULD: It is very interesting when we look at the long list of increased expenditures to recollect that we have a vast hinterland, each electoral district for instance on the prairie paying one and a quarter million, for which it gets nothing in return, only providing money to be spent on harbours and rivers. I like equity and I do not like things inequitably distributed. I would like on behalf of our province, to appeal to the Minister of Agriculture to see that these moneys are more equitably distributed. For instance, on the Saskatchewan river the municipalities or communities have to build their wharves half way across the river themselves, and here we have a much reduced vote this year. Before the money is voted, I wish to call the attention of the government to the very inequitable manner in which they are distributing money raised from the taxation of this country. This is just a fair word of warning to the government. The people will not forget this. The government is going to hear about it. I have protested time and again in this chamber, and I ask the government whether these expenditures are justified at the present time. If the government is going to be fair it will distribute the money equitably. I have requested time and again that a little bit of the money be expended in my district.

Mr. GARLAND (Bow River): The hon. member forgets that this is a government of economy.

Mr. GOULD: They are not economizing in the taxation they collect in my electoral district, but they spend every cent of it in some other place.

Item agreed to.

Southampton—repairs to wharf and breakwaters, $5,000.

Miss MACPHAIL: Will the minister tell us if this money to be spent in Southampton is to be spent on the long pier on Fisherman dock? Because I happen to know that the long pier is of no use at all.

Mr. KING (Kootenay): In reply to my hon. friend, the vote which has just been passed, Saugeen river, $5,000, is the expenditure that will take care of the fishermen in that vicinity. At Southampton the expenditure is as follows:

East breakwater, general repairs to face timbers and decking	$ 250
Commercial wharf, repairs	200
West breakwater, renewal of 300 lineal feet superstructure	4,500
Incidentals	50
Total	$5,000

Mr. GARLAND (Bow River): The minister stated a minute ago that the previous vote for Saugeen river, $5,000 would take care of the fishermen.

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): The item says, "Repairs to harbour works". Just to what works does that apply?

Mr. KING (Kootenay): I do not know whether my hon. friend is familiar with the locality, but the Saugeen works were constructed many years ago. This is the mouth of the river which gives a very good shelter to the fishermen, and the fishing industry is a very considerable one in that district. It is proposed to reconstruct some of the piers or wharves there in order that they may be of use. There is a hope that some day we will be able to combine the two harbours, or make Southampton the main harbour for both the fishermen and the commerce of that country. But to provide for the fishermen would require a very considerable sum of money. At the present time we are making some improvements to the old works on the Saugeen, and keeping the main work at Southampton in repair.

Miss MACPHAIL: I know a good many of the fishermen who live in Southampton, and they certainly need a place to which they can bring their boats and leave them in safety. The old Fishermen's dock is a rotten old thing, you could hardly tie a horse to it, let alone a boat. Then in regard to the long pier for which this $5,000 is being spent, all the inhabitants in Southampton to whom I have spoken about it say that it is absolutely of no use except for people to go walking some nice evening or on Sunday. No boats can get into the long pier. Some wealthy American might come in once in a summer, but it does not seem quite right that we should spend these vast sums of money in order to let them have a pleasant landing. They could go further on and land at Kincardine quite as well. As there is a real fish-

ing industry there, and the only water service that is needed is required for the fishermen at Southampton, while this is not my riding, I would be most happy to see more money spent on docks for the fishermen to make things better for them than to have money spent on the long pier because every cent spent on it is simply money thrown away.

Mr. MEIGHEN: How much is going into this long pier? How long is the minister going to make it?

Mr. KING (Kootenay): It was constructed some years ago. A very large sum of money has been spent at Southampton in the construction of a pier and breakwaters. As regards the pier, we are spending $250 on the east breakwater and $250 on the commercial wharf, that is the long pier. On the western breakwater, which is the protecting breakwater of the harbour, it is proposed to expend $4,500.

Mr. LEWIS: Nothing for the fishermen at all?

Mr. KING (Kootenay): The fishermen have been taken care of in the previous vote, Saugeen river. I had an opportunity of meeting the fishermen there last year, and from my observations I felt that we should continue to provide accommodation where they are now located, where they have their establishments, at least until the breakwater which protects the mouth of the river is possibly destroyed. Then it may be necessary to move them to the main harbour, although that will not be kindly received by the fishermen. In fact, the locality they are in now is one that suits their industry and requirements.

Mr. GARLAND (Bow River): The minister has pointed out that the long pier is to cost quite a substantial sum this year.

Mr. KING (Kootenay): $250.

Mr. GARLAND (Bow River): He also states that this is a matter of long standing, and that is apparently the only justification he has given for this vote. Has the minister any real reason for continuing it? The mere existence of a thing does not justify keeping it in repair, unless there is some real merit in it. The minister has not given us any reason yet.

Mr. KING (Kootenay): If my hon. friend had local knowledge of the district surrounding Southampton and the moneys that have been spent there in constructing breakwaters and piers, he would not suggest for a moment that the government should abandon those works and let them go into disrepair. There will have to be annual expenditures to keep these works in repair.

Miss MACPHAIL: Does the minister really think the fishermen of Southampton would ever use the long pier? All their homes, the whole fishing industry, their fishing houses and everything connected with the industry are at the mouth of the river. They are a mile or more apart. The fishermen cannot afford to build new icehouses, fish houses and homes. I do not think there is any question of moving the fishermen's facilities from the mouth of the river to the long pier. They will all have to stay at the mouth of the river, or the fishermen will have to go to other grounds. I still protest against spending $250 for the long pier. Do more than two ships come into Southampton all summer long?

Mr. KING (Kootenay): I quite agree with my hon. friend as regards the fishermen and providing quarters there for them. I think I have explained the matter and provision has been made for them. As regards the pier, years ago large quantities of cordwood and timber came down and the harbour facilities there were used to take care of this. The structures there are large and they have cost a great deal of money. It is also a harbour of refuge and I do not think it should be allowed to go into disrepair.

Mr. MEIGHEN: Refuge for what?

Mr. KING (Kootenay): Steamers.

Mr. MEIGHEN: How many came in last year?

Mr. KING (Kootenay): I have not the record. In case of storm vessels will run into that port.

Mr. MEIGHEN: I do not know of my personal knowledge, but I know the minister has voted money not far away just to keep up a tradition, and that appears to be the only object he has in this case. He says that there once was a time in the great by and by when a lot of lumber went into that port, and inasmuch as there is a long pier, he thinks he had better put some money into it.

Mr. KING (Kootenay): Does the right hon. member think the work should be abandoned?

Mr. MEIGHEN: Yes, unless the minister can give a better reason than he has given yet. There may be most excellent reasons for maintaining the work, but we have not had them.

Item agreed to.

Stokes bay—repairs to pier, $4,000.

Mr. KING (Kootenay): This is for renewal of stringers, corbels and the top course of face timbers of all cribs, with 70 per cent of decking.

Mr. STEVENS: Where is Stokes bay?

Mr. KING (Kootenay): In Bruce county north.

Mr. STEVENS: Is this another harbour of refuge?

Mr. KING (Kootenay): No. It is a local harbour.

Mr. BOYS: I thought the hon. member for North Bruce (Mr. Malcolm) put his pen through many of these items.

Mr. MEIGHEN: The minister seems to have made him the pet of the whole Liberal family.

Mr. KING (Kootenay): I think not.

Mr. LUCAS: When was any money spent at this point before?

Mr. KING (Kootenay): The pier was built between 1904 and 1906. It cost $8,978. The last repairs made to it were attended to in 1913-14, bringing the total cost of this structure to date to $10,314.

Item agreed to.

St. Williams—repairs to pier, $2,250.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In Norfolk county. This is for renewal of the outer end of landing pier including driving of sheet piling around present pier and filling with stone, repairing seven concrete piers between outer end and shore, and renewal of wale and decking in approach.

Mr. MEIGHEN: Does the government own this pier?

Mr. KING (Kootenay): Yes.

Item agreed to.

Thames river—repairs to lighthouse wharf, $1,000.

Mr. MEIGHEN: Where is this wharf?

Mr. KING (Kootenay): In Kent county.

Mr. MEIGHEN: Is this at the mouth of the river?

Mr. KING (Kootenay): The work is requested by the district engineer as being urgent. It is renewal of a lighthouse wharf.

Mr. STEVENS: Is there any traffic?

Mr. KING (Kootenay): This is to protect the lighthouse wharf. There is traffic on the river.

Mr. MEIGHEN: What is the lighthouse for? Does the minister seriously contend that there is traffic on the Thames river? If so, how far up does it go?

Mr. MURDOCK: The traffic runs up to Chatham on the Thames.

Mr. MEIGHEN: What kind of traffic?

Mr. MURDOCK: Excursion traffic from Detroit. The chief traffic however consists of sand and gravel barges.

Mr. BOYS: Is this in conjunction with Belle River?

Mr. MURDOCK: No. Belle River is about twenty-five miles further west.

Mr. BOYS: We were told in the committee the other day of the large amount of traffic that was to move from Belle River up the Thames to Chatham. I presume this lighthouse is to light the way.

Mr. KING (Kootenay): There has been a lighthouse there for many years; it is not a new thing.

Item agreed to.

Thessalon—to complete breakwater extension, $16,000.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In East Algoma. This is a re-vote which is required to complete a contract for the extension of the existing breakwater which consists of rubble stone capped by large blocks. The amount of the contract was some $39,000. The expenditure in 1923-24 was $14,000 and in 1924-25, $9,000, bringing the total expenditure to date up to $23,000.

Mr. MEIGHEN: How much more is required?

Mr. KING (Kootenay): To complete the contract, $16,000.

Mr. MEIGHEN: Is this a new extension the government is starting? What is the length of it?

Mr. KING (Kootenay): Four hundred and fifty feet.

Mr. MEIGHEN: It is all in East Algoma I notice.

Item agreed to.

Thorah island—harbour improvements, $1,050.

Mr. KING (Kootenay): This is to complete the contract entered into last year.

Mr. MEIGHEN: What for?

Mr. KING (Kootenay): For the construction of crib-work to retain the wall, which is five feet wide and of a total length of three hundred and eighty feet.

Mr. MEIGHEN: This is an island?

Mr. KING (Kootenay): Yes.

Item agreed to.

Thornbury—wharf repairs, $6,200.

Mr. KING (Kootenay): This is in the north of Grey county. The vote is to take care of necessary repair work to the entrance of the pier.

Item agreed to.

Trenton—to take over from municipality Bywater dock, $13,100.

Mr. MEIGHEN: Was this promised in the by-election?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: What does the minister know about it? It certainly was.

Mr. KING (Kootenay): It was promised many years before, I think.

Mr. MEIGHEN: This vote is to take over the structure from the municipality, who own the dock. Have they operated it lately? A bill was put through some time ago with relation to this matter, was it not?

Mr. KING (Kootenay): No bill has been passed by this parliament.

Mr. MEIGHEN: Well, some action was taken two or three years ago, and I think it was in the form of a statute.

Mr. KING (Kootenay): No. The Ontario government gave certain rights to Mr. A. E. Bywater of Trenton whereby he acquired a patent of the water lot adjoining Lot N, South Dundas street, Trenton. This property is adjacent to the government Trent canal bridge. It has been used as a fire dock and as a general public dock for many years, and it is a property which is of great importance to the public at large. Representations were made years ago that the Dominion government should secure it but no action was taken. Later on however the government of Ontario gave to Mr. Bywater the water lot in question, and the council of Trenton considered the matter of such importance to the municipality that they expropriated the property, paying the sum of $12,100.

Mr. MEIGHEN: To Colonel Bywater?

[Mr. Meighen.]

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: When did he get it from the Ontario government?

Mr. KING (Kootenay): In 1921.

Mr. MEIGHEN: What did he pay for it?

Mr. KING (Kootenay): I have not that information. There was an arbitration, as between the municipality and him, and the municipality paid $12,100 for the lot, in addition to the cost of arbitration amounting to $966.58.

Mr. MEIGHEN: When did the municipality take it over from him?

Mr. KING (Kootenay): In December 1921.

Mr. MEIGHEN: Immediately after he had got it from the Ontario government.

Mr. KING (Kootenay): Yes, shortly after he secured it. The property had been used by the public for many years and they have been contending that adequate warehousing facilities should be established in connection with it. The municipal council had taken expropriation proceedings under the Ontario Municipal Act, but in the meantime the provincial government had granted the property to Colonel Bywater, with reservations to the rights of the government of Canada. This matter was set forth in a petition drawn up by the municipal council, whose position was strongly supported. In a report on the matter the district engineer states:

> The department did some dredging in front of the wharf during the period November 16, 1912, December 16, 1913, covering an area of 105 feet by 500 feet; 6,138 cubic yards of solid rock was excavated to a grade depth of 14 feet below zero.
>
> Practically all freight and passenger traffic going in and out of the town by water is handled at the wharf in question, which is now called "Polly's wharf." Trenton is the terminus of the Trent valley canal, and is served by the Grand Trunk Railway, the Canadian Pacific Railway, and the Canadian National Railways. It is a port of call for all regular liners. Large quantities of coal are imported and unloaded. Apples and cheese are shipped in large quantities. Canadian Iron Mines operate a concentrating plant at this place. Trenton is an important commercial and manufacturing centre. Customs receipts amount from year to year to about $40,000 to $45,000. In 1913, the population was reported to be 4,300.

Mr. MEIGHEN: Does the government intend to spend much more money on this?

Mr. KING (Kootenay): Not at the present time.

Mr. MEIGHEN: When does the government intend to start?

Mr. KING (Kootenay): It will depend on necessities.

Mr. MEIGHEN: Political?

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

Mr. MEIGHEN: What is the idea of this vote now?

Mr. KING (Kootenay): The government will acquire the property with this vote, and in view of the information I have just given I do not think there is any reason why it should not do so in order to give the people of Trenton the service that is given other places. We are not asking for money for further expenditures; we simply want to acquire this property to bring it within the control of the Dominion government for public use.

Mr. MEIGHEN: There will be nothing in the supplementaries?

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

Mr. EVANS: In this vote we have passed many items such as this one which in my opinion should not properly come within the jurisdiction of the Dominion government at all. Many of these items, it seems to me, should come under the control of the municipality or the province and it is unjust to the taxpayers throughout the Dominion for them to be called upon to provide these local facilities for certain points on the Great Lakes and around the east coast and in Quebec. The Dominion might as well be justified in providing roads through the municipalities as in providing some of these facilities for which we have voted money to-day, this one among the rest. The provinces might just as reasonably ask to be relieved of the work of building bridges, and put it on the Dominion government.

Mr. KING (Kootenay): Under the British North America Act the responsibility for roads and bridges is on the provinces, while wharves and aids to navigation come within the federal jurisdiction.

Mr. EVANS: It would be a sound principle to adopt that only waterways of a national character should be looked after by the Dominion; the provinces should look after all others. This would be more equitable to the taxpayers throughout the country, and the work would be done more economically.

Mr. BOYS: This is the only wharf at Trenton?

Mr. KING (Kootenay): Yes.

Mr. BOYS: And the idea is that because other places have wharves which are paid for by the Dominion government, the people of Trenton feel that they should have this wharf provided in the same way; and they have asked the government to take it over.

Mr. KING (Kootenay): Yes.

Mr. BOYS: That is only reasonable, and I do not know why anyone should think that certain towns should get wharves at the expense of the Dominion government while the people of Trenton should pay for their own.

Item agreed to.

Wendover—wharf repairs, $6,000.

Mr. STEVENS: Is this to complete the work?

Mr. KING (Kootenay): This vote is for repair work.

Item agreed to.

Harbours and rivers—Nova Scotia—Avonport—rebuilding part of wharf, $7,200.

Mr. STEVENS: I think the minister ought to give us a résumé of these new items as we proceed.

Mr. KING (Kootenay): Yes. They are mostly repairs or renewals and improvements to harbours. It is proposed to rebuild a portion of this wharf which was damaged by a storm last year. The wharf serves a population that is engaged largely in the manufacture of brick and fishing. Five thousand barrels of apples, 700 cords of wood, barrel staves, pulpwood and other shipments were made last year. Up to March 31, 1925, there had been expended $10,426.

Item agreed to.

Bay St. Lawrence—breakwater extension, $3,000.

Mr. MEIGHEN: Who gets this?

Mr. KING (Kootenay): This is in Cape Breton North and Victoria county. The work is mainly to improve the shelter for fishing boats. The value of the catch at this point is about $50,000 each season. At present the fishermen are operating at a great disadvantage owing to the lack of landing facilities. The proposed improvement would also facilitate the landing of freight and passengers from the subsidized steamboat. During an average year about 200 passengers pass through this port, and the steamboat company collects about $1,000 in freight charges on imports and exports.

Item agreed to.

Black Point—breakwater repairs, $5,800.

Mr. GARLAND (Bow River): What is the explanation?

Mr. KING (Kootenay): This is to reconstruct the outer end of the breakwater, 114 feet long by 24 feet wide, with native timber crib work. The old work was destroyed by ice.

Item agreed to.

Cariboo—repairs, $3,000.

Mr. MEIGHEN: Where is this point?

Mr. KING (Kootenay): Pictou county.

Mr. MEIGHEN: What are the repairs?

Mr. KING (Kootenay): Reconstructing a portion of the breakwater with crib work. This is to give protection to the harbour, and is rendered necessary by damage to the breakwater during storms last winter. The people of the island also use the breakwater as a mean of access to the mainland in summer.

Item agreed to.

Chebogue—harbour protection, $2,600.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In Yarmouth county.

Mr. MEIGHEN: What protection is going in there?

Mr. KING (Kootenay): It is to extend the existing beach protection a further length of 70 feet. The breakwater acts as a protection to the fisherman.

Mr. MEIGHEN: How could it be a breakwater? You could not extend a breakwater seventy feet for $2,600.

Mr. KING (Kootenay): This work is along a sandbar and will give the desired protection.

Mr. STEVENS: What is the form of construction?

Mr. KING (Kootenay): Crib work costing $2,520.

Mr. MEIGHEN: It is really shore crib work.

Mr. KING (Kootenay): It is breakwater protection off shore. If my right hon. friend has visited Toronto island he will recollect that similar work has been done there.

Mr. MEIGHEN: Yes, but the minister said 70 feet of that kind of work was to be done for $2,600. It could not be done for the money.

[Mr. J. H. King.]

Mr. KING (Kootenay): There is 21,000 cubic feet of crib work at 12 cents, making $2,520.

Item agreed to.

Cheverie—wharf repairs, $3,200.

Mr. KING (Kootenay): This vote is required to renew the plank, stringers and guard over an area of 8,000 square feet, and is the estimated cost. These repairs are required to make the wharf serviceable for shipping purposes. Farming, fishing and plaster mining are the local industries. The annual shipment of gypsum is 30,000 tons, lumber 1,000,000 feet, and laths and barrels are also exported to a large extent.

Item agreed to.

Dartmouth—pier, $5,700.

Mr. STEVENS: There was a very large expenditure last year.

Mr. KING (Kootenay): This vote is required to complete payments due the contractors for the construction of this pier. The contract was entered into in 1924, having been awarded to the lowest tenderers, the Halifax Dredging Company Limited and the Standard Construction Company Limited. The total amount was $135,659. The work is finished.

Digby—repairs and renewals to pier, $2,000.

Mr. KING (Kootenay): This is an annual charge.

Mr. STEVENS: Is there no end to it?

Mr. KING (Kootenay): No, it is a very large pier. There is a tremendous traffic there, and repairs and renewals are required every year.

Mr. MEIGHEN: Tremendous traffic?

Mr. KING (Kootenay): Yes.

Item agreed to.

Fisherman's Harbour—wharf, $5,000.

Mr. STEVENS: Is this a continuous one, too?

Mr. KING (Kootenay): This is to construct a wharf, 248 feet in length consisting of a stone and gravel approach 90 feet long and 16 feet wide on top; a block and span approach 108 feet long and 16 feet wide; a pile trestle approach 30 feet long and 16 feet wide, and a pile pierhead 20 feet long and 40 feet wide along the outer face. This amount is required to complete the contract entered into last year with the Russell Construction Company.

Mr. STEVENS: What is the total amount?

Mr. KING (Kootenay): For the contractor, $4,420; inspection and contingencies, $579; total, $5,000.

Item agreed to.

Great Village—wharf replacement, $5,500.

Mr. STEVENS: What about this?

Mr. KING (Kootenay): This is to replace the present wharf by a new structure at a site 800 feet farther down the river. It will consist of a pilework pier 90 feet in length by 40 feet in width, with an ell 70 by 30 feet at the outer end. The old structure, which was in a dilapidated condition, was entirely wrecked by a severe storm early in October, 1923.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In the county of Colchester.

Mr. MEIGHEN: A little bit for everybody, here.

Sir HENRY DRAYTON: Is there an existing contract?

Mr. KING (Kootenay): No, it is being done by day labour.

Sir HENRY DRAYTON: What is the engineer's report?

Mr. KING (Kootenay): The engineer recommends that the work be done by day labour.

Sir HENRY DRAYTON: What does he say?

Mr. KING (Kootenay): He reports that it can be more efficiently and economically done by day labour.

Sir HENRY DRAYTON: What reasons does he give? It is over $5,000.

Mr. KING (Kootenay): The contract is for $4,500.

Sir HENRY DRAYTON: We have a vote here for $5,500, so it looks as if it were playing with it to say it is under $5,000. It is all very well to say it is better to do it by day labour, but what is the concrete recommendation of the engineer? What are his grounds?

Mr. KING (Kootenay): The price for the work is $4,500; wharf site and right of way $300; road construction and contingencies $700; making a total of $5,500. The engineer recommends that the work can be done more efficiently and economically by day labour.

Sir HENRY DRAYTON: Does he give any grounds?

Mr. KING (Kootenay): I think those are sufficient grounds.

Sir HENRY DRAYTON: That is no ground at all. He makes a recommendation, but on what grounds does he make it?

Mr. KING (Kootenay): On what grounds would he make it?

Sir HENRY DRAYTON: I do not know whether he has any grounds, or whether he thinks it is a good thing to have the handling of the money. I do not know whether he is doing it on grounds or on a whim. That is what I am trying to find out. If he has done it on grounds, those grounds should be shown.

Mr. KING (Kootenay): The grounds are shown.

Sir HENRY DRAYTON: What are they?

Mr. KING (Kootenay): Economy and efficiency.

Mr. MEIGHEN: Why day labour here and not elsewhere?

Mr. KING (Kootenay): Day labour is done in many cases.

Mr. MEIGHEN: What is the difference?

Sir HENRY DRAYTON: Whenever the department feels like it.

Mr. MEIGHEN: In view of recent reports, may I ask if this is all that is going to be done for the member for Colchester?

Mr. PUTNAM: Perhaps for Hon. F. B. McCurdy, the man who turned Liberal.

Mr. MEIGHEN: If anything is to be done for him I would be glad to hear it, too.

Item agreed to.

Grand Etang—repairs to piers, $5,000.

Mr. STEVENS: This ought to be an opportunity for the hon. member for Inverness to give us a little dissertation.

Mr. KING (Kootenay): The district engineer reports that Grand Etang harbour is dependent for its existence on the maintenance of the entrance piers. The proposed repairs are required to prevent continuous deterioration of the walls.

Sir HENRY DRAYTON: I am quite sure the member for Inverness can give us some real reasons why this should be done. I think in fairness to the minister and the House we should be given some real reason why this new expenditure is to be made this year by this government of professed economy. We have not had one reason given why the work should be done. Will not the hon. member give it to us?

Mr. CHISHOLM: The hon. member is always prepared to give reasons, and good reasons. These repairs are required for the pier on account of the neglect of the government of which my hon. friend was a minister. This is one of our inheritances from the late government. This work should have been done five years ago.

Mr. CLARK: Then why wait so long?

Mr. CHISHOLM: We are economizing as much as possible, and it is only urgent need that forces us to spend money. We have had to spend hundreds of thousands of dollars to repair works that hon. members opposite failed to look after when they were in power.

Mr. MANION: I hope the hon. member will see that it is spent this year. That would be good politics.

Mr. CHISHOLM: Do not worry. It will be spent.

Sir HENRY DRAYTON: I thought we would get something from the hon. gentleman. I wonder if the minister will kindly read the report of the engineer on which he is acting in starting this new work.

Mr. KING (Kootenay): I have already done so.

Sir HENRY DRAYTON: I did not hear any report read.

Mr. KING (Kootenay): The district engineer reports that Grand Etang harbour is dependent for its existence on the maintenance of the entrance piers. The proposed repairs are required to prevent continuous deterioration of the walls. The annual value of the fisheries is $100,000. Four subsidized steamers call at this place from two to six times weekly.

Sir HENRY DRAYTON: Is that the first report we have had or was a similar report made last year? I just want to see how near right the hon. member for Inverness is in his facts.

Mr. CHISHOLM: No, the explanation is simply this: The pier, which forms the entrance to the harbour, has taken a slant.

The pier was built by the government in 1895-1896, so it has stood very well so far. The object of this expenditure is to correct the slant in order to protect the entrance to the harbour.

Mr. MEIGHEN: When did it get the slant?

Mr. CHISHOLM: Since it was first built.

Sir HENRY DRAYTON: When did it get it bad?

Mr. CHISHOLM: Last year, but it has been getting worse continually.

Sir HENRY DRAYTON: Would not the hon. member in justice to himself like to correct his former remarks, because they are now found to be absolutely incorrect, and I do not like to see him left in that position? The fact is that, instead of this being an inheritance, it is something that just happened last year and is now being looked after. The story now is, not that the wicked former government was neglectful, but that nature was more kind when we were in office and the pier stood straight, but last year the pier took a slant of five degrees, or so.

Mr. CHISHOLM: It began to get bad years ago, but it got very bad last year.

Mr. MEIGHEN: Last year the government took a slant, too.

Mr. DUFF: That was in 1921.

Item agreed to.

Gulliver's Cove—breakwater, $15,000.

Mr. MANION: Has this anything to do with Gulliver's Travels?

Mr. DOUCET: Where is it?

Mr. KING (Kootenay): In the county of Digby and Annapolis. This amount is required to construct a cribwork breakwater 240 feet long and from 20 to 30 feet wide, for the protection of the fishing fleet and the development of that district. There is an excellent fishing station here capable of great development.

Sir HENRY DRAYTON: Is this a new work?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: What is the business carried on at this point?

Mr. KING (Kootenay): Principally fishing.

Sir HENRY DRAYTON: In what volume?

Mr. KING (Kootenay): There are ten gasoline boats, fourteen other boats, two weirs, 1,500 lobster traps and ten fishing houses at that point.

Sir HENRY DRAYTON: What are the present facilities?

Mr. KING (Kootenay): I think the conditions are very difficult for the fishermen at the present time.

Mr. LOVETT: Perhaps I can answer the hon. gentleman with greater exactness. This place has never had a wharf, breakwater nor slip of any kind. The fishing grounds are valuable and the proposed conveniences will render them very productive. The wharf will furnish these fishermen with a harbour which does not exist at the present time. I wish to tell the committee that the present lack of facilities renders the lot of the fishermen very hard. When they go out to fish they have to haul their boats down to the shore with oxen. On their return they have to haul their boats up from low water, which adds very greatly to the expense. The place is from fifteen to twenty miles from the railway and labours under a great handicap in that respect. If ever an item in the estimates was justified this one certainly is. On previous occasions candidates of all parties have promised the people wharf facilities, with the exception of myself. I told them I would not make any promise, and I did not do so, but that I would look after their interests in every way. However, I am glad to have this item in the estimates; it will certainly be a great help to the people of that section who stand so much in need of these facilities.

Sir HENRY DRAYTON: Where is this place, in the bay of Fundy?

Mr. LOVETT: In the bay of Fundy.

Sir HENRY DRAYTON: Whereabouts?

Mr. LOVETT: About twenty miles down from Digby neck, on the bay of Fundy side.

Sir HENRY DRAYTON: It is on the sea side of the gut?

Mr. LOVETT: Yes. Having no harbour whatever one can readily understand the difficulties under which the fishermen labour. There is no harbour or shelter of any kind; the fishermen simply have to get their boats in and out the best way they can.

Sir HENRY DRAYTON: How many people are there in the settlement.

Mr. LOVETT: About 700 people. The construction of this wharf will bring a greater number of people there because the fishing grounds are good.

Mr. CLARK: Will the minister read the engineer's report on this?

Mr. KING (Kootenay): The engineer says the breakwater is required for the protection of the fishing fleet and the development of the fishing industry. He adds that it is an excellent fishing station and capable of great development.

Item agreed to.

Harbourville—breakwater repairs, $2,500.

Mr. KING (Kootenay): The work here is taking down and rebuilding in crib work a portion of the west breakwater.

Item agreed to.

Harbours and rivers generally—repairs and improvement, $55,000.

Mr. LEWIS: What amount was expended last year?

Mr. MANION: What are the largest items under this heading?

Mr. KING (Kootenay): Last year $55,017.50 was expended. The details vary from $16 up to $1,000, and in one case, I think, $2,000.

Mr. MANION: Where was the $2,000 expended?

Mr. KING (Kootenay): At West Bay wharf.

Mr. MANION: Is there any limit in connection with the expenditure of this particular open vote of $55,000?

Mr. KING (Kootenay): This vote is to take care of unforeseen repairs that may be necessary during the year. The expenditure is usually kept down within the $1,000 mark. Occasionally the damage is such that it will require a larger expenditure. If it should involve over $5,000 the department would submit the matter to council.

Mr. MANION: The minister could spend up to $5,000 under this vote?

Mr. KING (Kootenay): Yes, he could, but it is not the practice to do so.

Mr. MANION: Is the list of expenditures very lengthy? If not I should like the minister to read it.

Mr. KING (Kootenay): There are three pages of details.

Sir HENRY DRAYTON: There would not be many items over $1,000.

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: What are the items over that amount?

Mr. KING (Kootenay): Burlington Centre; Gabarous; Halifax office maintenance; Little Anse breakwater; McNair's Cove; Pleasant Bay; West Bay; West Chezzetcook.

Item agreed to.

Horton Landing—repairs to wharf, $2,100.

Sir HENRY DRAYTON: What does the engineer's report say in the case of this vote?

Mr. KING (Kootenay): The report says that the proposed work is general repairs to wharf, consisting of the renewal of stringers fenders, piling and so on, and the raising of the outer end of the wharf. The District Engineer reports:

This wharf is used by the community for landing coal and wood, and for shipping farm produce and apples. One cargo of pulp, 775 tons, was shipped from here during 1924. If this wharf is repaired, the pulp company expect to ship large quantities of pulp next year.

Sir HENRY DRAYTON: What is that pulp company?

Mr. ROBINSON: I might give some details in connection with the matter.

Sir HENRY DRAYTON: Perhaps the hon. member will tell us all about it.

Mr. ROBINSON: I do not know that I can give the name of the pulp company, but they are looking for a good place to ship from. This wharf has not been used, perhaps, for two or three years and the top is in a state of disrepair; teams cannot be driven over it. Last year shipments of pulp commenced over the wharf, and the complaint was made that the structure was in such a condition that teams could not be placed on it. The engineer estimates that $2,100 will put the wharf in a state of repair.

Sir HENRY DRAYTON: I wonder if the hon. gentleman could tell us where that pulp goes?

Mr. ROBINSON: I think it must go to the United States. It is partially manufactured and shipped in bales. There is a pulp mill back of Wolfville and Gaspereau where they manufacture up to a certain stage, and in that condition the commodity is shipped away.

Item agreed to.

[Mr. J. H. King.]

Hunt's Point—rebuilding landing wharf, $2,000.

Sir HENRY DRAYTON: Where is that place?

Mr. KING (Kootenay): In Shelburne and Queens.

Mr. DUFF: In Queens county.

Sir HENRY DRAYTON: What does the engineer's report say?

Mr. KING (Kootenay): It says:

This landing block is located immediately inside the breakwater and is a public convenience to the fishermen. I am convinced that our maintaining this landing means increased accommodation and naturally increased earnings to these men. There are twenty motor boats carrying 30 to 40 fishermen who fish from this place. The annual value of the fisheries is about $55,000.

Item agreed to.

Joggins—breakwater reconstruction and repairs, $8,000.

Sir HENRY DRAYTON: Where is this?

Mr. KING (Kootenay): In Cumberland county.

Sir HENRY DRAYTON: What is this all about?

Mr. KING (Kootenay): The work is of a public nature, and the breakwater serves as a protection to the coal loading pier from which coal mined in the town is shipped. It is also used as a wharf over which local freight from St. John and other points is handled. A considerable quantity of lumber is also shipped from this breakwater. During 1923, 800,000 feet, board measure, of lumber and 800 tons of coal were shipped over the breakwater at Joggins. During 1924 the shipments were not quite so large, and 500,000 board measure feet of lumber which has been cut, was not shipped owing to depression of the market.

Sir HENRY DRAYTON: What coal company ships at that point?

Mr. KING (Kootenay): The Joggins Coal Company.

Sir HENRY DRAYTON: Does that cover the whole cost?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Is there a contract as to that?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: Day labour.

Mr. KING (Kootenay): Yes, in all probability. It is rebuilding an old structure; it is very difficult to estimate and make a contract for it.

Sir HENRY DRAYTON: It seems to me the department is getting loose about the work done by day labour and not following the rules closely; all they say is that it is difficult to let a contract. If they want to be on safe ground they should advertise for contracts, and if they find they are all too high, then do it by day labour.

Item agreed to.

L'Archeveque—dredging, $10,300.

Mr. KING (Kootenay): This is to complete work started in 1924, which consists of dredging a mooring basin 400 feet long and 180 feet wide and entrance channel 1,580 feet long and 80 feet wide. The channel will be dredged to a depth of 7 feet at sub-grade. The inlet at this place is a most suitable site for a fishery harbour between Fourchu, 18 miles towards the east and L'Ardoise, 11 miles towards the west. It is advanced with reason that this place is the nearest station to what is perhaps the best fishing ground in the southern coast of Cape Breton; and if this place were improved it would also serve as a harbour of refuge for boats—about 80 in number—from Petit de Grat and Arichat during the winter fisheries. The principal industries are fishing and farming.

Sir HENRY DRAYTON: The minister tells us that the work was already undertaken in 1924.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: How much was spent on this work last year?

Mr. KING (Kootenay): We operated our own plant last year at a cost of $24,000.

Sir HENRY DRAYTON: How many yards were taken out?

Mr. KING (Kootenay): The number of yards was 14,500.

Sir HENRY DRAYTON: At a cost of what?

Mr. KING (Kootenay): The cost was $24,000.

Sir HENRY DRAYTON: That is a pretty heavy rate, is it not?

Mr. KING (Kootenay): Yes, it is very expensive dredging, not only on account of the material, but also on account of the exposed position and the loss of time.

Sir HENRY DRAYTON: Where did the money come from?

Mr. KING (Kootenay): The amount of the dredging vote for the Maritimes, page 40.

Sir HENRY DRAYTON: It came out of that vote last year and you are now dealing with it directly this year. What plant did you use?

Mr. KING (Kootenay): The departmental plant No. 11.

Sir HENRY DRAYTON: How many months did it work?

Mr. KING (Kootenay): It was there a considerable time. There was great loss of time on account of weather conditions, and the work cost more than was anticipated.

Mr. MANION: In whose constituency was that?

Mr. KING (Kootenay): Cape Breton South and Richmond.

Mr. MANION: Who is the member for that constituency?

Mr. KYTE: I have the honour to represent that riding.

Mr. MANION: Perhaps the hon. member will give us information regarding it.

Mr. KYTE: The minister gave all necessary information.

Sir HENRY DRAYTON: Perhaps the hon. member can tell us how it came to cost so much.

Mr. KYTE: I am not in as good a position as the hon. minister to give the information.

Sir HENRY DRAYTON: How many boats are there?

Mr. KYTE: A great number.

Mr. STEVENS: Is it to be done by contract?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I hope the minister will get a good deal cheaper rate than he got by day labour on the other contract.

Mr. STEVENS: The minister has not called for tenders yet?

Mr. KING (Kootenay): They have been called for.

Mr. STEVENS: Have you opened them yet?

Mr. KING (Kootenay): No.

Mr. MANION: Will this complete the work?

Mr. KING (Kootenay): It is a question as to whether it will or not. Tenders were called for some time ago and there have been

no responses yet. The cost to the department last year was about $1.45 a yard.

Mr. STEVENS: That is a very heavy cost.

Mr. KING (Kootenay): It depends on the location and the material.

Sir HENRY DRAYTON: How far would the material have to be carried?

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

Sir HENRY DRAYTON: That is one of the items of expense. Does the engineer's report not say how far it has to be carried?

Mr. KING (Kootenay): No, I have not that information here.

Sir HENRY DRAYTON: In the form of tender that is issued, what is asked for, and what are the stipulations? How far has the stuff to be carried, and to what depth has the dredging to be done?

Mr. KING (Kootenay): The material that is dredged is deposited at the direction of the district engineer. I have not the information as to where they dumped the material last year, but that will be worked out with the contractor, if we make a contract. The depth of the channel is seven feet at low water sub-grade.

Sir HENRY DRAYTON: What is the present depth?

Mr. KING (Kootenay): It varies from a depth now of one to three or four feet.

Sir HENRY DRAYTON: Is there no place where there is more water, where we could accommodate the people?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: On the other hand, could we not get some shallower place where there would be a little more dredging at $1.45 per yard?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: We can neither make it more expensive nor cheaper?

Mr. KING (Kootenay): It is a very difficult place. It is very exposed. They did not accomplish last year what we hoped they would.

Mr. STEVENS: What business is carried on to warrant the expenditure?

Mr. KING (Kootenay): Fishing and farming.

Mr. STEVENS: What is the quantity of goods shipped out and brought in each year?

[Mr. J. H. King.]

Mr. KING (Kootenay): The district engineer says:

> The inlet at this place is the most suitable site for a fishery harbour between Fourchu, 18 miles towards the east and L'Ardoise 11 miles towards the west. It is advanced with reason that this place is the nearest station to what is perhaps the best fishing ground in the southern coast of Cape Breton; and if this place were improved it would also serve as a harbour of refuge for boats (about 80 in number) from Petit de Grat and Arichat during the winter fisheries. The principal industries are fishing and farming. There are 18 resident fishermen and the export value of the fish marketed is $12,600 a year.

Mr. MANION: Eighty votes or eighty boats?

Mr. KING (Kootenay): There are eighteen resident fishermen.

Mr. STEVENS: And last year the minister spent $24,000, and now he intends to spend $10,000 more. How much was spent the year before?

Mr. KING (Kootenay): Nothing. There was an expenditure in 1913 and again in 1916. I have not the amount here. It was not a large amount.

Sir HENRY DRAYTON: Has the minister the previous expenditure?

Mr. KING (Kootenay): Not here.

Sir HENRY DRAYTON: How is it possible for fishermen to carry on business with a channel which varies from one, two, three to four feet in depth?

Mr. KING (Kootenay): They are having great difficulty. They can go over the bar only in high water. The purpose is to dredge this bar so that they can come in at low water with a depth of seven feet.

Sir HENRY DRAYTON: What is the character of the soil?

Mr. KING (Kootenay): Gravel and boulders.

Sir HENRY DRAYTON: Any hard pan?

Mr. KING (Kootenay): It is fairly hard material. There are a number of boulders.

Sir HENRY DRAYTON: How much do the engineers say it will require to keep this channel from silting up again?

Mr. KING (Kootenay): It is problematical. It varies in different localities.

Sir HENRY DRAYTON: What do the engineers say the whole thing will cost to make it so that it will stay?

Mr. KING (Kootenay): We were hopeful that we would get through last year with an

expenditure of $24,000. We did not succeed. The material was very difficult and the position was much exposed. The cost overran our estimate entirely.

Mr. STEVENS: How many yards does the minister expect to move under this contract?

Mr. KING (Kootenay): 10,301 cubic yards.

Mr. KYTE: This place is situated on the south shore of the island of Cape Breton. We are very deficient in natural harbours along that coast. There is, between St. Peters and Louisburg, a distance of sixty miles, really no harbour into which a boat or vessel may enter with safety. The south shore of the island of Cape Breton is the famous fishing ground of haddock and codfish. This fishing is carried on in the months of December and January. Boats from Canso and Petit de Grat as well as L'Archeveque and the district of L'Ardoise use those waters for the purpose of fishing, more especially the ports of Canso and Petit de Grat that are fitted out for winter fishing. It is a very dangerous occupation, as hon. members who are familiar with the storms on the Atlantic coast may know. In addition to the advantage which the opening of this harbour will be for the local fishermen, it will afford a harbour of refuge for fishing boats engaged in fishing on the south shore. When a storm comes on they must make for either Louisburg or Canso. With favourable weather they may get along, but in winter when snow storms come up hurriedly the fishermen run very great risk of loss of life. As a matter of fact, had it not been for the circumstance that the Department of Marine and Fisheries maintains a steamer at Canso for the purpose of saving men who are threatened in these storms, very great loss would have resulted from time to time. With the opening of this harbour comparative safety will be guaranteed to all these fishermen. That is the justification for the expenditure in addition to the local advantage in the district.

Mr. MANION: I understand this is dredging of a sand bar?

Mr. KYTE: It is gravel, boulders.

Mr. MANION: There will not be much chance of its refilling.

Mr. KYTE: No.

Mr. MANION: It will not have to be dredged every year.

Mr. KYTE: No.

Sir HENRY DRAYTON: Is my hon. friend really sure of that, because I have seen gravel bars made by storms almost over night?

Mr. KYTE: Not in South Cape Breton.

Sir HENRY DRAYTON: I do not know, but a great deal of repair work has to be done there from time to time, and apparently there is as much difficulty in maintaining work there as anywhere else as far as votes are concerned. What does the engineer say? I cannot believe we are cutting through a gravel bar which has been made by sea action and are going to leave it just to be filled up again by sea action. That is all that will happen and the minister knows that quite well. He said a moment ago it was problematical whether it would fill up or not. Let us have the facts.

Mr. KING (Kootenay): As regards the river, the fact that we have a gravel bar there now would indicate that the currents and wash of the sea will again pile it up. But the engineer in considering this must feel justified in recommending the expenditure, believing that it will be some years before the refilling will take place. I have not his report. If it were to take place in the next year, I am satisfied the chief engineer would not report favourably on this work.

Sir HENRY DRAYTON: He certainly seems to be affected with a great deal of modesty when he takes it for granted it is not necessary to say anything about a subject as important as this. The minister goes no further than to say that it will not fill up next year. If it will fill up in two years, would he feel it necessary so to report on it?

Mr. KING (Kootenay): I would not contemplate doing the work if that were the case.

Sir HENRY DRAYTON: Perhaps the minister would like to stretch that a little more. Would he or would he not report in favour of this work if he thought it would fill up in three years?

Mr. KING (Kootenay): It is problematical.

Sir HENRY DRAYTON: If the minister does not know on what basis is his engineer's report? I would suggest that in connection with these matters in the future, he sees that his engineers report on what will have to be done to maintain work that is done. It is idle to turn around and dig through a bar formed by the sea, which bar the minister himself says will again be formed by the sea, without at the same time providing some-

thing to prevent that. We get started at one of these things and we immediately find we have to do something else that has not been discussed. The House ought to know sometimes what it is doing. I admit generally it does not. That is no reason why we should not know what we are doing, and we cannot know unless the minister brings down a report dealing with the subject.

Mr. KYTE: I have in mind a case where dredging was done on the south shore of Cape Breton fifteen years ago. A cut was made through the bar and it was overcast. The material that was overcast was never removed, but the channel is still there. Even the material which was overcast was not swept back into the channel, and the channel is still as useful as it was when the overcasting was done.

Mr. GARLAND (Bow River): Surely the hon. member will admit that that is a rather rare occurrence.

Mr. KYTE: Not on the south shore of Cape Breton.

Mr. GARLAND (Bow River): But, generally speaking, it is a rare occurrence that sand will not silt in.

Mr. CLARK: How does the minister account for the difference in the cost between dredging by contract and dredging with a government dredge? I understand with the government dredge it costs $1.45 a yard, and while I do not know whether a contract has actually been let, I understand the minister expects to let a contract for about a dollar a yard.

Mr. KING (Kootenay): That was anticipated. I am very doubtful whether we shall get a tender of that character. Our original estimate was on the basis of a dollar a yard. In checking our costs recently, we found they exceeded that amount by 45 cents a yard, and that was actual cost. It will depend largely on conditions that exist when the work is being done. It is exposed to the swell of the sea. If the contractor or operator has a favourable season with no storms, his cost will be that much less.

Mr. CLARK: On the basis of $1.45 a yard the present estimate would not nearly complete the work.

Mr. KING (Kootenay): No.

Item agreed to.

Little Judique Ponds—breakwater, wharf, $10,800.

Mr. KING (Kootenay): The engineer reports that there were thirty-five boats using this port during the past year. In previous years there were more boats but the number has gradually diminished owing to lack of accommodation for landing the catch. At the time the survey was made in October, 1924, some 8,000 lobster traps were piled along the shore, and further facilities are urgently required. Native timber is used in the structure, which is intended for the protection of the fishermen of the harbour.

Mr. CLARK: I see that the minister has abandoned the item for repairs at Little Harbour.

Mr. KING (Kootenay): No, that item was called and carried.

Mr. GARLAND (Bow River): Is this entirely new work at Little Judique?

Mr. KING (Kootenay): It is new work. We require 72,000 feet of native timber cribwork, which is to be sheathed on the seaward side at a cost of 15 cents a cubic foot.

Mr. GARLAND (Bow River): Will this vote complete the necessary breakwater or is it just the beginning of a heavy expenditure?

Mr. KING (Kootenay): It is estimated that this will complete it.

Mr. GARLAND (Bow River): I suppose the engineers have looked into this matter and have decided that a breakwater constructed in the way the minister describes will last for some time. I note however that in his explanation of previous items the minister stated that concrete structures were necessary because the old timber breakwaters with their fillings had not proved effective. Would it not have been just as well, if this work is to be permanent, to have made this a concrete structure from the start and so save future expenditures?

Mr. KING (Kootenay): One would hesitate before putting in concrete structures in smaller fishing localities. The native timber is usually conveniently to hand and in the end, although the structure may be renewed from time to time, it will prove cheaper than concrete, which in salt water is by no means permanent. It has been found that through the action of the salt water concrete disintegrates as soon as creosoted timber if not sooner.

Mr. GARLAND (Bow River): I made the remark in view of the minister's previous statements to the effect that the timber was being replaced with cement or concrete in other works.

Mr. KING (Kootenay): That would be more in the lake country.

Sir HENRY DRAYTON: Were tenders called for for this work?

Mr. KING (Kootenay): It will be all done by contract.

Item agreed to.

Lunenburg—dredging, $60,000.

Mr. KING (Kootenay): This is to do further work in the harbour of Lunenburg, which is probably the largest fishing station in Canada, having a fleet of some 192 vessels at the present time. There is no accommodation for this fleet in winter under present conditions. The value of the catch for the year 1923 was $2,000,000 while the catch during 1918, when high prices prevailed, was $4,000,000. The catching, curing and shipping of fish are the chief industries, while shipbuilding, manufacturing and farming are also important industries. The population dependent upon the proposed work is estimated at 7,000. The total catch of fish by the Lunenburg fleet in 1924 amounted to approximately 171,000 quintals, about 25,000 quintals less than the catch of the previous season. Average prices however have been very satisfactory, and it is estimated that the catch returns will exceed those of 1923 by a quarter of a million dollars. It is expected that there will be an increase in the fleet next year.

Mr. CLARK: Why do they not winter off Boston?

Mr. KING (Kootenay): They are crowded in the harbour at present and adequate accommodation is needed. There is no doubt about the importance of this item.

Mr. LUCAS: What is the total amount spent on the harbour since the beginning of improvements there?

Mr. KING (Kootenay): Up to March 31, 1924, $39,808 had been spent.

Mr. SPEAKMAN: Will this be an annual expenditure to keep the harbour in proper condition?

Mr. KING (Kootenay): No.

Mr. SPEAKMAN: How much will it cost by the time the work is completed?

Mr. KING (Kootenay): This vote will conclude the programme at Lunenburg. The contract was $81,840 and this $60,000 will clean it up.

Mr. SPEAKMAN: I understood the minister to say that other ports which he has mentioned were not revenue producing inasmuch as they were inland. Is this one revenue producing?

Mr. KING (Kootenay): This port is used by the local fishermen and it is different from the port of Halifax for example, where large tramp and passenger steamers call on the trans-Atlantic trade. This port is for the fishing trade and is quite different from the larger ones.

Mr. SPEAKMAN: I appreciate the distinction but I understood the minister to say that the original distinction as between inland and salt water ports had reference to revenue. Is there any general traffic at this port, or is it purely local?

Mr. KING (Kootenay): There is the schooner traffic, but the port is not of the same character as Halifax or St. John.

Mr. SPEAKMAN: I quite understand that it is a matter of degrees. But does not any traffic from this port go to some of the United States ports?

Mr. KING (Kootenay): I suppose the fishing fleet goes to Gloucester occasionally.

Mr. SPEAKMAN: We always understood that a certain amount of traffic was carried on between the port of Lunenburg and certain United States ports.

Mr. DUFF: That is a libel.

Mr. SPEAKMAN: Am I to understand that no traffic is carried on between Lunenburg and the United States ports?

Mr. DUFF: None, except fish and lumber.

Mr. SPEAKMAN: I was not suggesting what kind of traffic was carried on, I was only asking if there was any at all.

Mr. DUFF: I knew what my hon. friend had in his mind.

Mr. SPEAKMAN: I meant exactly what I said. I did not have any particular form of traffic in my mind; evidently the hon. member for Lunenburg (Mr. Duff) had.

Item agreed to.

Malagash—dredging, $22,700.

The CHAIRMAN (Mr. Marcil, Bonaventure): I understand that the word "wharf" is to be inserted, making the item read "Malagash wharf?"

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Is that work to be done by the government?

Mr. KING (Kootenay): It will be done by tender.

Item, as amended, agreed to.

Margaree—harbour improvements, $1,500.

Mr. STEVENS: Is this to complete the work?

Mr. KING (Kootenay): Yes.

Item agreed to.

New Harris—wharf, $2,000.

Mr. GRAHAM: Mr. Chairman, I move that this item be struck out.

Sir HENRY DRAYTON: What has happened, has the member fallen down there?

Mr. KING (Kootenay): When we made up our estimates we did not anticipate we would be able to complete the work before the end of March, but it was completed.

Sir HENRY DRAYTON: Evidently the member was busy.

Item dropped.

North Ingonish (McLeod's)—reconstruction of breakwater and dredging, $28,700.

Sir HENRY DRAYTON: That is not new, is it?

Mr. KING (Kootenay): It is under contract and is in the constituency of Cape Breton North and Victoria.

Mr. MANION: $6,000 was spent last year?

Mr. KING (Kootenay): Yes.

Item agreed to.

Parrsboro—harbour improvements, $39,000.

Sir HENRY DRAYTON: This is rather big, Mr. Chairman. What is the reason of this spasm?

Mr. KING (Kootenay): Parrsboro is a very important harbour. We have a contract for dredging and harbour improvements.

Mr. STEVENS: When was the contract let?

Mr. KING (Kootenay): December 10, 1924, to the Minas Basin Dredging Company.

Mr. STEVENS: There is no vote shown here for last year.

Mr. KING (Kootenay): There was an amount for dredging last year. This vote is to complete the dredging and for other harbour improvements.

Sir HENRY DRAYTON: But under what vote was that contract made? No vote is shown for last year.

Mr. KING (Kootenay): It is in the supplementaries.

Sir HENRY DRAYTON: It is no answer to say that it is in the supplementaries, because the vote last year ought to show everything.

Mr. KING (Kootenay): An order in council was passed October 9, 1924, granting authority for the acceptance of the offer of the Minas Basin Dredging Company, the amount of the appropriation being $25,000.

Sir HENRY DRAYTON: So these estimates are wrongly prepared in that regard? As a matter of fact a vote of $25,000 ought to be shown in the figures for 1924-25.

Mr. KING (Kootenay): Apparently they have not entered up the supplementary vote of last year. It should be shown.

Sir HENRY DRAYTON: Certainly, otherwise it does not give the House proper information.

Item agreed to.

Port Greville—breakwater reconstruction, $20,000.

Sir HENRY DRAYTON: Is that under contract?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Who are the contractors and what is the price?

Mr. KING (Kootenay): In July tenders were called for and received, the Reid Construction Company being the lowest tenderer. Last year $16,000 was expended under the contract and this is to complete the work.

Sir HENRY DRAYTON: Is it a lump sum contract?

Mr. KING (Kootenay): No, on unit prices.

Sir HENRY DRAYTON: What are they?

Mr. KING (Kootenay): The unit prices are not set forth here. The tender from the Reid Construction Company is for repairs to the breakwater at Port Greville at the unit prices quoted therein, totalling $31,627.

Sir HENRY DRAYTON: That is one bit of interesting information we do not get.

Mr. KING (Kootenay): There were six tenders received the lowest being $31,627, and the highest $50,928—a fairly wide range.

Item agreed to.

Portugese Cove—breakwater, $11,700.

Sir HENRY DRAYTON: That is going on this year?

Mr. KING (Kootenay): This is required to complete the work under contract.

Mr. STEVENS: What is the total amount of the contract?

Mr. KING (Kootenay): $15,203. We expended last year, $3,287.

Item agreed to.

Sheet Harbour—harbour improvements, $20,000.

Mr. GARLAND (Bow River): May we learn something about this?

Mr. KING (Kootenay): At Sheet Harbour there is a large development taking place. The pulp industry has recently been established there, and there is very considerable activity at that point. The government are contributing towards the cost of a wharf $7,500, and this contribution by the government is conditional on the structure being vested in the crown, together with the right of way thereto, which would make practically a public wharf and warrant the proposed expenditure by the government. By extending the wharf we will save a considerable sum of money in what might otherwise have resulted in a very considerable amount of expensive dredging.

Mr. GARLAND (Bow River): Why is the amount of $2,000 voted last year not shown?

Mr. KING (Kootenay): There was no amount last year.

Mr. GARLAND (Bow River): There was an amount for Sheet Harbour west; perhaps that is another place?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): One is West Sheet Harbour and the other Sheet Harbour?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): The minister said that under an agreement with the pulp industry there he was to have what he called practically a right of way. Either you are going to have a right of way or you are not. Just what does he mean by practically a right of way?

Mr. KING (Kootenay): We have the right of way.

Mr. GARLAND (Bow River): There is no question about it, no strings to it.

Sir HENRY DRAYTON: What is the name of the company?

Mr. KING (Kootenay): The American Perforated Wrapper Pulp and Power Company. They are constructing their plant now. The industry will be an active one, and I am satisfied the arrangement here is in the interests of the district. It will mean the employment of a great many men and a large development in the pulp industry at that point.

Item agreed to.

St. Mary's river—dredging, $28,000.

Mr. GARLAND (Bow River): This is a big item.

Sir HENRY DRAYTON: Are you dredging this yourself or is it under contract, or what?

Mr. KING (Kootenay): This is to complete the dredging of the St. Mary's river now under contract with the Halifax dredging company.

Sir HENRY DRAYTON: What rate per cubic yard?

Mr. KING (Kootenay): Fifty-six cents. This will complete the whole work.

Item agreed to.

Windsor—wharf extension, $24,000.

Sir HENRY DRAYTON: What about this?

Mr. KING (Kootenay): This is to extend the wharf at Windsor. It is strongly recommended by the engineer, by the board of trade, and the member. The district engineer reports that this work is necessary on account of the increased shipping at this port. The shipping consists of five million feet of lumber and two hundred thousand tons of gypsum. For the past season 82 vessels, carrying 194,600 tons of gypsum cleared at the custom house, also a number of vessels with cargoes of lumber for the American market, consisting of five and a half million feet of lumber, one million staves, and six and a half million laths. A great deal of gypsum is shipped over privately-owned wharves.

Mr. SPEAKMAN: Is this a revenue-producing port?

Mr. KING (Kootenay): Not very much.

Mr. SPEAKMAN: Are there any dues charged? This would hardly be classed as a local or shipping port.

Mr. KING (Kootenay): We got $153.52 in 1922 and $212 in 1923.

Sir HENRY DRAYTON: What was the cost of salaries?

Mr. KING (Kootenay): Not given.

Sir HENRY DRAYTON: I think they had better not be given.

Mr. HUGHES: There are no salaries.

Sir HENRY DRAYTON: That is reassuring.

Mr. GARLAND (Bow River): Who appoints the officer at the port?

Mr. KING (Kootenay): The wharf is under the control of the Department of Marine and Fisheries. They would appoint a wharfinger or somebody in control, and probably pay him a percentage of the receipts.

Mr. GARLAND (Bow River): Some local person?

Mr. KING (Kootenay): Yes.

Mr. SPEAKMAN: I have been trying to find out just what the policy is in regard to revenue. I understood at first a distinction was made between inland waters and ocean waters. Apparently also the nature of the traffic is a factor. In other words, no fees are charged where the traffic is local or such as fishing traffic. Does the real difference lie in the size and importance of the port, and is it only the larger and more important ports on salt water that are revenue-producing?

Mr. KING (Kootenay): Yes.

Mr. SPEAKMAN: That is the policy?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: There are really very few of our ports that are revenue-producing, and those that do produce revenue do not count for very much when you take the expenditure into account.

Mr. KING (Kootenay): Except Montreal and Vancouver.

Sir HENRY DRAYTON: Outside of those larger ports there would be practically no revenue at all. I notice that last year it was costing us $10,000 to do this work. What is the reason for the increase? We started on something that would cost us $10,000, and now we have to spend another $14,000 because we spent $10,000 last year.

Mr. KING (Kootenay): The vote last year for $10,000 was for the purchase of property as follows: the Akins property for $6,500, the Curran property for $1,800, and the C. S. Smith wharf property for $3,000. These properties having been secured it is proposed to enlarge the structure.

Sir HENRY DRAYTON: Is there a contract

Mr. KING (Kootenay): There will be.

Sir HENRY DRAYTON: I notice that we have the usual item here "Appropriations not required for 1925-26, $366,355." Perhaps we could get a statement showing what work has been finished so as to get an idea of the activities of the department in Nova Scotia for the year, and what work has been dropped. If it is a long list I should think the committee would like it taken as read and put on Hansard, and thus save the minister the trouble, of reading it.

Mr. KING (Kootenay): If the committee will permit I will hand the statement to Hansard.

List of Appropriations not required for 1925-26

Nova Scotia

Harbour and rivers	Chargeable to income: Appropriation 1924-25	Chargeable to income: Expenditure to March 31, 1925
Anderson's Cove—pier and improvements	$ 12,000	$ 11,988 52
Apple River—breakwater repairs	2,000	1,978 36
Babin's Cove—wharf extension	1,700	1,699 68
Barrington Cove (Sydney Mines)—wharf repairs	6,000	6,003 31
Bass River—improvements	1,500	.....
Bayfield—breakwater repairs	6,000	5,912 17
Bay St. Lawrence—breakwater repairs	5,000	3,009 71
Broad Cove Marsh—replacement breakwater wharf	8,400	7,933 15
Cariboo Island—breakwater reconstruction	8,000	4,013 57
Carr's Brook—breakwater repairs	1,275	1,274 23
Chapel Cove (West L'Ardoise)—breakwater extension	10,000	9,038 99
Chester—to purchase, rebuild and extend wharf	5,400	4,774 20
Chimney Corner—wharf reconstruction	8,000	7,999 75
Comeau's Cove—breakwater improvements	4,900	.....
Cow Bay—breakwater repairs	5,500	5,499 99
Culloden—breakwater extension	10,600	9,827 89
D'Escousse—wharf repairs	1,420	1,419 92
East Bay—wharf repairs	1,600	1,600 66
East River—repairs to lock	3,000	2,283 36
Eastern Harbour—improvements	42,000	33,472 98
Ecum Secum—wharf	6,100	6,095 48
French Village—rebuilding, wharf	3,700	3,340 74
Friar's Head—harbour improvements	1,500	762 51
Grand Narrows—wharf extension	2,000	2,007 16
Half Island Cove—rebuilding breakwater	3,000	2,998 95
Hantsport—wharf repairs	3,250	3,249 71
Indian Harbour—wharf repairs	1,600	1,325 02
Inverness—pier extension	4,900	4,909 29
Irish Cove—wharf repairs	3,500	3,494 88
Judique (Baxter's)—wharf repairs	1,300	1,286 31
Kingsport—wharf renewals and repairs	18,000	17,673 31
Little Anse—breakwater repairs	2,000	.....
Little Bass River—repairs to channel protection work	1,200	1,294 91
Marble Mountain—wharf repairs	3,180	3,177 55
McKay's Point—wharf repairs	2,700	2,699 59
Merigomish—wharf repairs	1,400	1,397 56
Meteghan—wharf extension	6,500	5,825 32

Nova Scotia—*Concluded*

Harbours and rivers	Appropriation 1924-25	Chargeable to income Expenditure to March 31, 1925
Morden—breakwater renewals and repairs	1,500	1,499 81
Newellton—wharf repairs	1,500	1,500 01
Noel—wharf repairs	3,240	3,166 44
North East Point (Indian Brook Flats) rebuilding wharf	4,000	.....
North West Cove (Tancook)—breakwater wharf extension	8,500	8,076 36
Parrsboro—wharf repairs	2,000	2,011 05
Parrsboro—dredging	25,000	4,304 34
Pembroke—breakwater repairs	1,750	1,942 33
Port Hastings—wharf repairs	2,300	2,307 76
Port Hood—wharf repairs	5,800	5,424 42
Port Lorne—breakwater extension	8,000	7,997 70
Port Medway—to purchase and extend wharf	6,100	6,050 25
Selma—wharf repairs	1,300	1,260 18
Sheet Harbour West—rebuilding wharf	2,000	34 53
Shelburne—wharf repairs	1,500	1,267 47
Ship Harbour—wharf	4,100	4,026 35
Skinner's Cove—rebuilding breakwaters and beach protection	2,500	2,330 75
South Bar (Sydney)—beach protection	2,500	2,502 79
South East Cove—breakwater repairs	1,700	1,698 38
Swim's Point—wharf repairs	2,500	1,903 46
Tiverton—breakwater extension	14,000	13,470 30
Toney River—repairs to channel pier	3,000	2,995 52
Turner's Island—wharf repairs	5,200	2,438 20
Upper Port Latour—wharf repairs	1,200	1,204 88
Wedgepoint—breakwater extension	11,340	9,337 66
Western Shore—wharf repairs	1,200	1,200 00
West Green Harbour—breakwater and wharf	2,500	.....
Yarmouth Bar—breakwater extension	6,000	5,966 74
Yarmouth Bar—beach protection—repairs and improvements	2,000	1,927 96
Yarmouth Harbour—dredging	22,000	22,010 57
	$366,355	$301,124 94

Progress reported.

On motion of Mr. Graham the House adjourned at 11.15 p.m.

Monday, May 25, 1925

The House met at three o'clock.

DEATH OF MR. J. D. F. DRUMMOND, M.P.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, for the third time, within less than a month, it is my painful duty to be called upon to refer at the opening of Monday's proceedings, to the removal by the hand of death, during the brief adjournment over the week-end, of an hon. member of this House.

Three weeks ago it was hon. members on this side of the House who were bereaved of one of their numbers; last week, it was hon. gentlemen immediately opposite; to-day it is the leader and members of the Progressive party. In each instance, death followed swiftly upon a brief illness.

John Douglas Fraser Drummond, who died in this city yesterday afternoon, was the member for West Middlesex, in this province. He was in his sixty-sixth year. Mr. Drummond was one of the best-known farmers of western Ontario. He started farming as a boy on his father's farm in Middlesex, and attained marked success in mixed farming and in the raising of grade Durham cattle. He became actively identified with the United Farmers' movement when it took its rise in the province a few years ago, and at the last general election was returned to this parliament, defeating nominees of both the Liberal and Conservative parties.

Mr. Drummond's life was continuously associated with the interests of agriculture and the county he represented, which was also the county of his birth. Before entering federal politics he had during a period of thirty years, been successively councillor, reeve and clerk of his native township, having held the latter office for sixteen years.

Greatly respected by all who knew him, and especially by hon. members of this House, the country loses in the death of the hon. member a well-informed and faithful representative of its agricultural interests in parliament, and the constituency of West Middlesex one of her best-known and most devoted sons.

The sympathy of hon. members of this House will go out in fullest measure to the widow and others of the family of our late fellow-member who have been so suddenly and so greatly bereaved.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, it will be borne home upon all of us that the passing of eleven of our number in the short space of three years and four months emphasizes the uncertainty and the hazardous character of human life. I do not think that within any period of our history so many have been called in the duration of a single parliament. All of the hon. members who have gone were men of quiet, unpretentious demeanour and, with the exception of two, took no very ostentatious part in the affairs of this parliament. If they had infirmities they kept them to themselves. This was very em-

phatically the case as respects the hon. member for West Middlesex who, with tragic suddenness, was taken from us just yesterday morning.

As he came from that portion of the province in which I was born and brought up, I can well understand the type represented by Mr. Drummond. He was of that hard-headed, firm-principled group of men of Scotch descent who mainly settled western Ontario and to whom that favoured section of Canada owes to-day its greatness and its wealth. Mr. Drummond gained early in his career the confidence of his fellows, and carried that confidence into a wider sphere. I am sure we all concur in the graceful tribute of the Prime Minister, and to-day I can only add that among his associates in the House the same opinion was formed of his character and attainments as that gained by him in the section in which he was born. We on this side join hon. gentlemen opposite in sympathy with our friends to the left and extend to them, and still more to his family and to his neighbours, the expression of our deep regret for his loss and our sincere appreciation of his valuable labours in this House.

Mr. R. A. HOEY (Springfield): Mr. Speaker, in the absence of the leader of the Progressive party (Mr. Forke) I desire to associate myself with the words spoken by the Prime Minister and the leader of the opposition, and to join with them in their tribute to one of our number who has been called from our midst by death. The news of Mr. Drummond's death reached us with painful—shall I say tragic?—suddenness. Many of us were unaware until two days ago that he was ill; none of us realized that the illness was of a serious character, or one from which he might not speedily recover. The late member for West Middlesex was a quiet, sincere, unassuming man who undertook his work here seriously, and sought to accomplish it fearlessly and conscientiously. After years of service in the municipal sphere he entered this House at an age when a man less public spirited might think of retirement, ease and seclusion. He did so in an attempt to serve his fellow men. In that service he was stricken, and in the service of his country many miles from the home in which he lived, and many miles from his loved ones, he died. That the strain imposed upon him by his duties here in no small measure contributed to that physical collapse from which his strength did not enable him to recover no one will dispute. It is, with feelings of profound regret, mingled with that sense of sorrow and sadness inseparable from the severance of friendship's ties by death, that we, the members of the group to which he belonged, with those who have already spoken, ask you to convey to his sorrow-stricken widow, and to the members of the bereft family our most sincere and heartfelt sympathy.

Mr. SPEAKER: I shall convey to the hon. member's family the regrets that have been expressed by hon. members on his death.

RAILWAY ACT AMENDMENT

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved for leave to introduce Bill No. 142, to amend the Railway Act, 1919.

He said: The object of this bill is to deal drastically with those found guilty of false billing of goods on the railway.

Motion agreed to and bill read the first time.

TORONTO TERMINALS RAILWAY COMPANY ACT

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved for leave to introduce Bill No. 143, respecting the Toronto Terminals Railway Company.

He said: This is a bill really introduced on behalf of the Canadian Pacific Railway, as it gives some further latitude, I think, in financing operations which they find necessary in connection with the Toronto terminals.

Motion agreed to and bill read the first time.

LOAN COMPANIES ACT, 1914, AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved for leave to introduce Bill No. 144, to amend the Loan Companies Act, 1914.

Motion agreed to and bill read the first time.

CUSTOMS ACT AMENDMENT

Hon. P. J. A. CARDIN (Acting Minister of Customs and Excise) moved for leave to introduce Bill No. 145, to amend the Customs Act.

He said: This bill provides that the smuggling of goods of the value of over $200 be made an indictable offence and punishable by imprisonment. The other section of the bill provides that the goods be forfeited without any power of remission on the part of the minister.

Motion agreed to and bill read the first time.

PRIVATE BILL

FIRST READING

Bill No. 141, from the Senate, for the relief of James Hooper Robbins.—Mr. Clifford.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

INCOME TAX ACT AMENDMENT

*Mr. SEGUIN:

1. Is it the intention of the government to amend the Income Tax Act, thus creating an exemption on the assets of the tax payer so as to afford greater security to the purchaser or lender in good faith?

2. Owing to the injustice which results from the fact that, under the Quebec provincial laws, the consorts married under the clause of separation of property are not on an equal footing with the consorts married under the clause of community of property, in regard to statements concerning the Income Tax Act, is it the intention of the government to do away with this anomaly by giving to the consorts married under the clause of community of property the same advantage as that given to those married under the clause of separation of property?

Hon. Mr. CARDIN: This matter is under consideration and the policy of the government will be made known in due course.

PUBLIC INVESTMENT IN PORT OF VANCOUVER

Hon. Mr. STEVENS:

1. Having reference to sessional paper No. 165 of the present session, page 22 has the government taken note of a statement signed by K. A. Blatchford, dated October 3, 1924, to the effect that certain eastern interests are putting up a big fight to blacken the port of Vancouver and no doubt succeeding to some extent?

2. If so, have any steps been taken by the government to protect the huge public investment in the port of Vancouver?

3. Has the government noted a further statement on the same page of the said return, indicating that the grading of grain east and west is carried on in a manner to discriminate against the Western route?

4. If so, will the government institute immediate inquries to determine who is responsible for same?

5. Under the Canada Grain Act, are certain grades of grain fixed?

6. If so, are the said grain grades uniform throughout the whole of Canada?

7. Is the government aware that the writer of the said letter, Mr. K. A. Blatchford, held at the time the responsible office of mayor of the city of Edmonton?

8. Will the government institute necessary inquiries to determine responsibility for the condition charged as existing by Mr. Blatchford?

Hon. Mr. COPP:

1. The government has observed the statement alluded to in communication signed by K. A. Blatchford dated October 23, 1924, addressed to the Secretary of the Vancouver Harbour Commission.

2. The government will continue its policy of protecting the public interest at the port of Vancouver.

3. In the return as brought down by the government there is no statement to this effect at page 22 or elsewhere.

4. Answered by No. 3.

5. Yes. The Canada Grain Act defines certain grades of grain which are known as contract grades. Other grades not defined are established in accordance with sections 47 to 51 inclusive, and are called commercial grades.

6. No. Grades of grain are not uniform throughout the whole of Canada, as the Grain Act provides separate and distinct definitions for grades of grain generally. Reference may be made to section 105 of the act. Section 107 of the act specifies the grades which apply only to grain grown in the western inspection division. Standard uniform samples are distributed to each inspection point and every effort is made to grade all grain in accordance with such samples.

7. Yes.

8. The government will institute necessary inquiries whenever definite and specific charges are made.

TOPOGRAPHICAL SURVEYS

Mr. KELLNER:

1. What are the grades of surveys engineers in Topographical Surveys of Canada?

2. What are the duties attached to each grade?

3. What are the principal determining factors in grading the employees?

4. What are the salaries attached to each grade?

Hon. Mr. COPP:

1. There are six grades, 1 to 6.

2.

Grade 1. Under direction, to act as an assistant to the chief of a survey party; on occasion to have charge of a sub-party in the field; in the office, to check, compute and plot surveyors' notes and returns, and to perform other related work as required.

Grade 2. Under direction, to have charge of a minor surveying operation; to act as senior assistant on major survey parties, and to assist in the supervision and direction of field work; to make astronomical and other observations and accurate measurements; to check and make difficult computations from surveyors' notes, and in some cases to supervise employees engaged on computation work; to assist in the preparation of maps, plans and reports; and to perform other related work as required.

Grade 3. Under direction, to have charge of one or more major survey parties; to supervise the compilation of data obtained by the surveys, and the computation and preparation of maps, plans and reports to assist in the training of field assistants; to be responsible

for the transportation of men and supplies and to perform other related work as required.

Grade 4. Under direction, to have charge of one or more major parties engaged in making legal surveys; or to be in responsible charge of a number of major survey parties in an assigned area; or to have charge of one of the smaller divisions of a large surveying organization; to be responsible for the organization, equipment and maintenance of survey parties, the transportation of men and supplies, and the preparation of notes, maps, plans and reports comprising the final result of the survey; and to perform other related work as required.

Grade 5. Under direction, to have charge of a large division of a large surveying organization; or to have charge of a special section of surveying work; to be responsible for the inspection of the work of field parties in a large surveying organization; to prepare instructions for parties engaged in field work connected with the division; to be responsible for the accuracy of plans and reports submitted by field parties, and for the preparation of statistics and the compilation of plans, maps, reports and other publications of the division; to make special inspections of difficult phases of field surveys; and to perform other related work as required.

Grade 6. Under direction, to have charge of one of the largest divisions of a large surveying organization; to prepare instructions for parties engaged in field work connected with the division; to be responsible for the accuracy of plans and reports submitted by field parties, and for the preparation of statistics and the compilation of plans, maps, reports and other publications of the division; and to perform other related work as required.

3. The qualifications as fixed by the classification of the Civil Service of Canada are:

Grade 1. Education equivalent to high school graduation; either graduation in engineering from a school of applied science of recognized standing, with two years of experience in surveying, or four years of practical experience in surveying; supervisory ability; good physical condition.

Grade 2. Education equivalent to high school graduation; either graduation in engineering from a school of applied science of recognized standing, with three years of experience in surveying, two years of which shall have been subsequent to graduation, or six years of practical experience in surveying; in some cases a commission as Dominion land surveyor will be required; tact, good judgment, and ability to handle men; good physical condition.

[Mr. Copp.]

Grade 3. Education equivalent to high school graduation; either graduation in engineering from a school of applied science of recognized standing, with five years of experience in surveying, at least three years of which shall have been in a position of professional responsibility, or seven years of experience in surveying, at least three years of which shall have been in a position of professional responsibility; in some cases a commission as Dominion land surveyor; ability to organize and manage large field parties; to deal with involved problems of transport; tact, good judgment and ability to handle men; good physical condition.

Grade 4. Education equivalent to high school graduation; either graduation in engineering from a school of applied science of recognized standing, with six years of experience in surveying, at least four years of which shall have been in a position of professional responsibility, or eight years of practical experience in surveying, at least four years of which shall have been in a position of professional responsibility; for legal surveys a commission as Dominion land surveyor will be required; ability to organize and manage large field parties, and to deal with involved problems of transport; firmness, tact and good judgment; good physical condition.

Grade 5. Education equivalent to graduation in engineering from a school of applied science of recognized standing, with at least seven years of experience in important surveying work, at least five years of which shall have been in responsible charge of such work in the field; preferably a commission as Dominion land surveyor or Dominion topographical surveyor; a thorough knowledge of higher mathematics as applied to surveying, and of surveying and mapping methods; ability to organize and manage men in the field and office, and to direct surveying operations; familiarity with modern office practice; firmness, tact and good judgment; good physical condition.

Grade 6. Education equivalent to graduation in engineering from a school of applied science of recognized standing, with at least eight years of experience in important surveying work, at least six years of which shall have been in responsible charge of such work in the field; preferably a commission as Dominion land surveyor or Dominion topographical surveyor; a thorough knowledge of higher mathematics as applied to surveying, and of surveying and mapping methods; ability to organize and manage men in the field and office, and to direct surveying operations; familiarity with modern office practice; firm-

ness, tact and good judgment; good physical condition.

4.

	Minimum	Maximum
Class 1..	$1,740	$2,040
Class 2..	2,100	2,580
Class 3..	2,580	3,120
Class 4..	2,700	3,300
Class 5..	3,000	3,600
Class 6..	3,300	3,900

TAX ON EXPORT POWER

*Mr. CHURCH:

1. Will the government afford the House an opportunity to discuss the tax on the export of power? If so, when?

2. Has any decision been given on the Carillon power project by the government, and has any application been received to date in this connection, and from whom?

3. Has any protest been received from the government of Ontario protesting against the export of this power?

4. Will the government secure the opinion of the Supreme Court of Canada as to the powers of this parliament and the government of the provinces on the whole question of the export of power, and also as to whether the export tax is ultra vires or not?

5. Will the Justice department be asked for such an opinion, or has one been given by the said department in the matter, and what is it?

6. Did the government recently promise a hydro deputation to secure such an opinion?

7. Have any protests been received regarding the export tax? If so, from whom and on what grounds?

Right Hon. Mr. MACKENZIE KING: The answers to these questions are as follows:

1. This question was on the order paper on the 8th of the month, and I would answer it by saying, that opportunity has already been afforded.

2. I think the discussion we had in the House brought out the fact that applications had been made to one of the government departments, but that so far as the government itself was concerned they had not been before the government for consideration.

3. I laid on the table of the House two or three days ago a letter from Premier Ferguson, which, I presume, is in the nature of a protest against the export of power.

4. The Department of Justice has expressed the view that the export tax is not ultra vires. It is not the intention of the government to secure an opinion from the Supreme court.

5. I have just answered this question by the answer to the one before it.

6. Some members of the government I think did make a promise when a deputation came before them that the opinion of the justice department would be obtained.

7. Protests have been received based on various grounds.

Sir HENRY DRAYTON: Will the Prime Minister table the opinion of the Department of Justice?

Mr. LAPOINTE: My hon. friend knows that opinions given by the Department of Justice to other departments have always been treated as confidential.

Sir HENRY DRAYTON: If my hon. friend wants to take that position, there is an end of the matter.

CANADIAN NATIONAL RAILWAYS—TRANSFERS, RIVIERE DU LOUP TO ST. MALO

Mr. POULIOT:

1. What are the names and the values of each of the twenty-two pieces of machinery which were transferred from the workshops of the Canadian National Railways at Rivière du Loup, to St. Malo?

2. On what date did said transfer take place?

3. What are the names and the respective occupations of the employees of the Canadian National Railways who were transferred from Rivière du Loup to St. Malo?

4. On what date did each of said transfers take place?

Hon. Mr. GRAHAM:

1 and 2.

Article—Value—Date

1 90 inch boring mill, $6,500, January 26th, 1920.

1 locomotive quartering machine, $3,000, January, 14.

1 locomotive wheel press, $1,800, January 14.

1 driving axle lathe, $700, January 14.

1 30 inch upright drill, $450, October 23.

1 18 inch travelling head shaper, $300, January 26.

1 48 inch x 48 inch x 20 feet planer, $5,500, January 15.

1 36 inch x 36 inch x 7 feet planer, $1,900, February 5.

1 28 inch lathe, $1,200, March 17.

1 6 foot radial drill, $3,500, March 16.

1 emery grinder 14 inch x 2 inch, $75, January 14.

1 4 spindle drill, $1,200, January 20.

1 24 inch cold saw, $900, January 20.

1 18 inch brass lathe, $500, January 20.

1 16 inch lathe, $400, January 31.

1 3 spindle test hole drill (staybolt), $250, January 20.

1 No. 8 Beaudry power hammer, $900, Jan-

1 1,200 pound steam hammer, $1,800, January 31.

1 shear 36 inch throat, capacity ¾ inch plate, $1,800, January 14.

1 flange punch, $2,000, January 14.

1 26 inch x 6 feet centre lathe, $600, January 14.

Article—Value—Date

1 22 foot H.S. lathe, $1,200, January 26.
1 Small lathe and planer tools, $100, ...
3 anvils 400 pounds each, $90, January 31.
3 sets blacksmiths' tools, $40, January 31.

3 and 4.

Name—Occupation—Date

Desrochers, J. B., machinist, January 13.
Thivierge, J., machinist, January 13.
Thivierge, Alp., machinist, January 13.
Meunier, J. A., machinist, January 13.
Boulet, J. D., machinist, January 13.
Lavoie, J. E., machinist, January 13.
Roy, Ludger, machinist, January 13.
Perron, Leder, machinist, February 2.
Hebert, C. E., machinist, February 2.
Mountain, Jack, machinist, February 28.
Carrier, Ovide, machinist, March 1.
Belanger, Sylvia, machinist, March 1.
Lemieux, Gaston, machinist, March 1.
Ouellet, Romeo, machinist, March 1.
Langevin, Laureat, machinist, March 1
Fortin, J. H., machinist, March 1.
Fortier, Albert, machinist, March 1.
Belanger, Sylvio, machinist, March 1.
Soucy, Louis, machinist, March 1.
Claveau, J. A. L. G., machinist, March 1.
Morin, C., machinist, March 1.
Turgeon, Joseph, machinist, March 1.
Samson, Ed., machinist, March 2.
Ouellet, F. E., machinist, March 16.
Chenard, Arthur, machinist, March 16.
Pelletier, Joseph, machinist, March 16.
Plourde, E. J. E., machinist, March 16.
Marquis, J. E., machinist, March 22.
Plourde, J. L. A., machinist, March 22.
Plourde, Sylvio A., machinist, April 5.
Samson, J. A. D., machinist, June 14.
Sirois, J. P., machinist apprentice, January 13.
Lacombe, Claude, machinist apprentice, January 13.
Casista, J. H., machinist apprentice, March 1.
Tremblay, J. B. S., machinist apprentice, March 1.
Berube, J. A., machinist apprentice, March 1.
Levesque, J. H. L., machinist apprentice, March 1.
Bernier, E., machinist apprentice, March 16.
Plourde, J. E., machinist apprentice, March 16.
Pineau, C., machinist apprentice, March 16.
Levesque, J. E., machinist apprentice, March 22.
Fraser, C. E., machinist apprentice, March 22.

[Mr. Graham.]

Name—Occupation—Date

Turgeon, J. A. L. G., machinist apprentice, May 17.
Morrisette, J. N., machinist apprentice, October 25.
Plourde, J. G. L. E., machinist apprentice, October 16.
Blanchette, J. R., machinist helper, January 13.
Guy, J. L., machinist helper, January 13.
Lapointe, Freddy, machinist helper, January 13.
Parent, L. O., machinist helper, January 13.
Senecal, S., machinist helper, March 16.
Fortin, C. E., machinist helper, March 16.
Gervais, L. P., craneman, January 26.
Theriault, H. G., staff clerk, May 16, 1919.
McKinnon, J. E., assistant foreman, February 16.
Ouellette, L., steamfitter, March 1.
Slight, A., steamfitter, March 16.
Morin, Louis, boilermaker, January 13.
Desrochers, L. A., boilermaker, January 13.
Desrochers, A., boilermaker, January 13.
Desrochers, J. W. E., boilermaker, February 2.
Tabara, J., boilermaker, February 28.
Charrier, Edgar, boilermaker, March 1.
Anctil, Emile, boilermaker, March 1.
Lebon, W. L., boilermaker, March 16.
Deschenes, J. C., boilermaker apprentice, January 13.
Sylvain, L. M., boilermaker apprentice, January 13.
Page, M. A., boilermaker apprentice, March 1.
Soucy, J. C. H., boilermaker apprentice, March 1.
Ouellette, J. H., boilermaker apprentice, March 16.
Couturier, Victor, boilermaker helper, January 13.
Masse, F. X., boilermaker helper, January 13.
Desrochers, H., boilermaker helper, March 1.
Morin, Antonio, boilermaker helper, March 1.
Tardif, Omer, boilermaker helper, March 1.
Beaulieu, C. E., boilermaker helper, March 16.
Poney, J. I., boilermaker helper, March 16, 1920.
Marcotte, J. B., boilermaker helper, March 22.
Dufour, R., boilermaker helper, March 22.
Dube, W., boilermaker helper, March 27.
Ouellet, J. C., blacksmith, March 1.
Dube, Ernest, blacksmith, March 1.
Deschenes, F., blacksmith, March 16.

Name—Occupation—Date

Morin, J. E. A., blacksmith helper, March 1.
Lapointe, C. E., blacksmith helper, March 1.
Pelletier, T., blacksmith helper, March 16.
Richard, J. B., locomotive painter, March 1.
Levesque, Sylvia, locomotive painter, March 1.
Gagne, J., locomotive painter, March 17.
Rioux, Albani, locomotive carpenter, March 1.
Deschenes, Arthur, locomotive carpenter, March 1.
Laforest, Francois, carman helper, March 1.
Beaulieu, Joseph, carman helper, March 1.
Dionne, Abraham, carman helper, March 1.

ST. LEONARD CUSTOMS AND EXCISE EXAMINER

Mr. DOUCET:

1. When did the position of Customs and Excise Examiner at St. Leonard, Madawaska County, New Brunswick, become vacant?
2. When were applications called by the Civil Service Commission for the filling of this vacancy?
3. How many applications were received?
4. What is the name of the successful applicant?
5. Was an order issued by the commission to one Joseph Desjardins to report for duty and on what date?
6. Was that order withdrawn? If so, on what date and why?
7. When does the Department of Customs and Excise propose appointing a permanent official to that position?

Hon. Mr. COPP:

1. December 1, 1294.

2. The position was advertised September 26, the time limit for receiving applications was October 10, 1924.

3. Two.

4. Joseph Desjardins.

5. Yes. A certificate was issued by the Civil Service Commission April 3, directing Mr. Desjardins to report for duty upon instructions from the department.

6. The department rejected Mr. Desjardins by letter of May 5, 1925, stating that he was not suitable for the position.

7. A requisition has been received by the commission for a permanent appointment and the position is being advertised.

KRAFT CHEESE

Mr. STEWART (Leeds):

1. Have any applications been made since the 1st of January, 1924, for rebates of duty paid by importers of New Zealand or other cheese used in the manufacture of Kraft cheese exported from Canada?
2. If so, who are the applicants, and what is the amount of duty claimed by way of drawback or refund in each case?
3. Have any other applications been received for drawback or refund of duty on imported cheese during said period?
4. If so, by whom, what is the amount claimed in each case, and what payments have been made on account of such applications?

Hon. Mr. CARDIN:

1. Yes.

2 and 3. One application for drawback, amount claimed $11,719.60. It is contrary to the practice of the Department of Customs and Excise to give information which would disclose the business of an individual concern.

4. No payments made.

CANADIAN NATIONAL RAILWAYS—CREOSOTE TIES

Mr. KENNEDY (Edmonton):

1. Has the Canadian National Railways used any creosote ties?
2. If so, how many and on what parts of the system?
3. Is the creosoting of ties done by contract?
4. What is the cost per tie?

Hon. Mr. GRAHAM:

1. Yes.

2. 3,561,858—Atlantic and central region.

3. Yes.

4. The cost varies depending on the fluctuations in market price of petroleum, cresote oil, coal tar and other preservative materials used in the treatment of ties.

WELLAND SHIP CANAL

Mr. KNOX:

1. In what year was the new Welland ship canal started?
2. What is the total cost up to the present time?
3. What is the estimated cost to complete the project?
4. When is it estimated the project will be completed?

Hon. Mr. GRAHAM:

1. Surveys, 1908; actual construction, 1913.

2. To March 31, 1925, $51,203,488.15.

3. Approximately $100,000,000, including amount already expended.

4. If appropriations are available yearly to full capacity of contractors and no set-backs occur, it is expected that the project will be completed during the year 1929.

PRE-EMPTIONS HUDSON BAY RAILWAY

Mr. HUDSON:

1. What was the total area of land disposed of as pre-emptions under the provisions of the Dominion Lands Act, passed in the year 1908?
2. What was the total price for which these lands were sold?
3. What amount has actually been received in respect of the sale of these lands?
4. What is the total expenditure to date, (a) for the construction of the Hudson Bay railway, (b) for the harbour works at Port Nelson?

Hon. Mr. COPP:

1. 12,763,040 acres, approximately, including entries since cancelled.

2. $38,289,120, approximately.

3. To 31st March, 1925, $16,312,959.95.

4. The expenditure to March 31st 1925, for the construction of the Hudson Bay railway was $14,902,571.17, and for the harbour works at Port Nelson $6,244,599.49.

AUDIT ACCOUNTANTS

Mr. GARLAND (Bow River):

1. What are the qualifications required for Grade 5 Audit Accountant?
2. What are the qualifications for Grade 4 Audit Accountant?
3. What are the qualifications for Grade 4 Audit Accountant, as advertised in list 269, civil service positions?
4. Are there any clerks in the office of the Auditor General who are both university graduates and chartered accountants? If so, how many?
5. How many clerks of the Auditor General are eligible to try the examination for Grade 4 Audit Accountant, as advertised?
6. What is the nature of the work that requires such qualifications?

Hon. Mr. COPP:

1. There is no such class.

2. Education equivalent to university graduation; at least nine years of experience in a post of responsibility in auditing work in the Dominion service or in work of equivalent character and standard; thorough knowledge of the fundamental principles of double entry book-keeping and accountancy; thorough familiarity with the functions and work of the Auditor General's department and wide knowledge of the Dominion government's accounting system; administrative ability; mature judgment.

3. Education equivalent to university graduation; at least nine years of experience in a responsible position in auditing work; qualification by examination as a member of a recognized Canadian Association of Accountants; at least six years' subsequent experience in public accounting; knowledge of the law affecting the functions and work of the Auditor General's office; knowledge of the government accounting systems; administrative and supervisory ability; mature judgment; ability to prepare and construct high grade accounting organization procedure and practice, and to conduct and report upon inspections and examinations. While a definite age limit has been fixed for this competition, age may be a determining factor when making a selection.

4. No.

5. None.

6. One to have charge of the audit of revenue and the other audit of stores.

BUSINESS PROFITS WAR TAX ACT

Mr. GOOD:

1. Under the Business Profits War Tax Act: (a) How many taxpayers have requested an appeal to a board of referees; (b) how many of these pressed their appeals and were heard before a board of referees?
2. Did any taxpayers appeal to any other tribunal than a board of referees?
3. If so, to what tribunal or tribunals, and how many appeals were thus heard?

Hon. Mr. CARDIN (for Minister of Customs):

1. (a) The majority of so-called appeals are protests to keep the cases open for discussion.

No record has been kept of the number of such cases; (b) none.

2. No.

3. Answered by No. 2.

INCOME WAR TAX ACT

Mr. GOOD:

Under the Income War Tax Act: (a) How many taxpayers have requested an appeal to a board of referees; (b) how many of such appeals have been heard before boards of referees; (c) how many taxpayers have appealed to the exchequer court; (d) how many appeals either to a board of referees or to the Exchequer court have yet to be disposed of?

Hon. Mr. CARDIN (for Minister of Customs):

1. (a) The majority of so-called appeals are protests to keep the cases open for discussion. No record has been kept of the number of such cases. (b) None. (c) Seventeen. (d) Eight.

ARMENIAN IMMIGRATION

Mr. ELLIOTT (Waterloo):

1. How many Armenians have come to Canada since May, 1924?
2. Through what sources and to whom were the various permits issued?
3. Did those entering Canada fulfil the required regulations with regard to passports?

Hon. Mr. ROBB:

1. 257.

2 and 3. To furnish the evidence in detail in reply to Nos. 2 and 3 would involve an endless amount of work including a search of our indexes for eleven months, the selection therefrom of all applications relating to Armenians and the examination of every file, in order that those, where admission had been granted, could be separated from the unsuccessful requests. In view of this, I wonder what good purpose could be served by my hon. friend persisting in his question, but if he does, I shall have to ask that it stand as an order for return.

CANADIAN NATIONAL RAILWAYS—WAINWRIGHT OIL TESTS

Mr. SPENCER:

1. Has there been a test made by the Canadian National Railways officials of crude oil taken from the British Petroleum Well No. 4 in the vicinity of Wainwright, Alberta?
2. If so, what were the results obtained?

Hon. Mr. GRAHAM: I am not sure whether this question ought to be answered or not until we make further inquiries. If it is a private company that had officials of the Canadian National Railways make a test of its well for its own purposes, I would not think it would be right, without the consent of the parties who requested that the test be made, to reply to this question.

VANCOUVER GOVERNMENT PROPERTY

Hon. Mr. STEVENS:

1. Is it the intention of the government to pay the city of Vancouver the sum of $15,000 per year in lieu of taxes on government property in that city?
2. Will the government bring down an estimate this session covering said amount, or, in what manner will the said amount be paid?
3. Did Mr. George E. McCrossan corporation counsel for city of Vancouver, discuss this question with ministers of the crown during his recent visit to Ottawa?

Hon. Mr. CARDIN:

1. No.
2. No.
3. Mr. George E. McCrossan on behalf of the city of Vancouver urged that the Vancouver Harbour Commission should make a reasonable contribution to the city for services rendered in lieu of taxes on its property.

QUESTION PASSED AS ORDER FOR RETURN

TRANSLATORS

Mr. HOCKEN:

1. How many translators are employed by the Senate and House of Commons, respectively?
2. How many translators are employed by the public departments in Ottawa, or branches of the government service?
3. What are the duties of the blue book translation staff of the House of Commons?
4. Has the blue book translation staff been relieved of the duty of translating the annual departmental reports.
5. If so, why and upon whose authority.

Mr. SPEAKER: The answer of the department of the Speaker is ready, but I understand the question covers all other departments, so it will stand as an order for return.

WAR IMPRISONMENT OF DR. BELAND

Mr. H. A. STEWART (Leeds) moved:

For a copy of all correspondence, cablegrams and other documents passing between the government or any member thereof and Sir George Perley, the British government or any department thereof, the representatives of any foreign power charged with the conduct of the affairs of Germany during the war, and between any of the above the one with the other, relative to the illegal detention and imprisonment of Dr. Beland, M.P., during the late war.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I am not sure to what extent it may be possible to furnish the information requested. Such material as there may be in the departments of the government here, I can see no reason why the government should not bring down provided that the British government have no objection. The motion calls for papers between this government and the British government or any department thereof. It is possible that the British government may have reasons for not wishing to produce the correspondence at the present time. If my hon. friend is agreeable to let the motion pass on the understanding that papers will be brought down only with the consent of the British government and in so far as we are in a position to bring them down, that will be satisfactory to the government. My attention is drawn to the fact also that the motion refers to correspondence with representatives of any foreign power charged with the conduct of the affairs of Germany during the war. I should think it would be essential to obtain also the consent of all the powers concerned before bringing down the correspondence.

Motion agreed to.

UNOPPOSED MOTION FOR PAPERS

HALIFAX ELEVATOR

Mr. BLACK (Halifax):

For a copy of all specifications and contracts made regarding the new Halifax elevator.

ANIMAL CONTAGIOUS DISEASES ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to repeal subsection one of section six of the Animal Contagious Diseases Act, as enacted by chapter seven of the statutes of 1922, and amended by chapter three of the statutes of 1923, by which it was provided that the minister may order compensation to be paid to the owners of animals slaughtered under the provisions of the act at the rates of valuation therein prescribed, and subject to the limitation that the said subsection should only remain in operation for three years from the first day of July, 1922; and in lieu thereof to re-enact the said subsection with the same rates of valuation for compensation but without the said limitation as to operation.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

PROPOSED LOAN OF $164,000,000

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to introduce a measure to provide authority for the raising, by way of loan, under the provisions of the Consolidated Revenue and Audit Act, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money as may be required, but not to exceed in the whole the sum of one hundred and sixty-four million dollars, for paying or redeeming or otherwise retiring the whole or any portion of loans or obligations of Canada and for public works and general purposes, and to provide that the principal so raised by way of loan and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

QUEBEC HARBOUR COMMISSIONERS

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved that the House go into committee at the next sitting to consider a certain proposed resolution with regard to advances to the Quebec Harbour Commissioners.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

CANADA TEMPERANCE ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the Canada Temperance Act, chapter one hundred and fifty-two of the Revised Statutes of Canada, 1906, by the addition thereto of Part V, to provide for the prohibition of importing, sending, taking or transporting of any intoxicating liquor into any province in which such prohibitions are in force; to further provide penalties for the violation of the proposed legislation, and to provide for the revocations when such have been declared revoked by an order in council of the Lieutenant-Governor of a province affected.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

[Mr. Motherwell.]

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): It is not usual to discuss a motion of this kind at this stage, but so far as I can see the present motion is identical with one which the minister has already on the order paper and which has been before the House for some time. I should be glad if the minister would point out now the difference between the two and, as well, how each of them differs from the legislation which passed this House one or two sessions ago and which the Senate defeated.

Mr. LAPOINTE: This resolution precedes the introduction of a bill identical with the one that passed this House in 1923, but which was modified by the Senate in such a way that it was rejected upon its return to this House. It applies particularly to British Columbia. The other bill which is on the order paper at the present time applies to the provinces that come under part 4 of the Canada Temperance Act, that is to say, those provinces in which the provincial legislature has passed a resolution asking the Secretary of State to hold a plebiscite therein on the question whether the imports of liquor should be prohibited or not. When such plebiscite is voted in the affirmative the Governor in Council passes an order in council prohibiting such imports into those provinces. That legislation applies to Manitoba, Alberta, Saskatchewan, Ontario, Nova Scotia, New Brunswick and Prince Edward Island, the only two provinces in which such a plebiscite has not been held being British Columbia and Quebec. This bill will apply to those two provinces if they care to take advantage of it.

Mr. MEIGHEN: Will this bill if it passes, have the same effect exactly upon British Columbia and Quebec as the other bill, if it passes, will have on the other seven provinces?

Mr. LAPOINTE: No, this bill does not go as far as the other. The other bill prevents all importations of liquor into those provinces in which the plebiscite has been held, except as regards liquors for sacramental, medicinal, manufacturing and commercial purposes. The present bill, which was agreed to by the provinces to which it will apply if it passes, does not go so far. For instance, it will permit the importation of alcohol by brewers and distillers for the purpose of blending in the course of the manufacture of liquors, while under part 4 of the Canada Temperance Act even such importation is prohibited except through the province.

Motion agreed to.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

Hon. J. A. ROBB (Minister of Immigration and Colonization) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the Soldier Settlement Act, 1919, and amending acts, and to provide that notwithstanding anything in the acts, in the case of any settler who has not repaid his indebtedness to the board, or who has not abandoned his land, or whose agreement with the board has not been terminated or rescinded, the board shall credit his account with an amount, in reduction of his indebtedness to the board, determined as follows:—

Forty per centum of the purchase price of all live stock advanced to the settler and purchased prior to the first day of October, 1920;

Twenty per centum of the purchase price of all live stock advanced to the settler and purchased on or after the first day of October, 1921; and

The settler's account shall be credited with the total amount, determined as aforesaid, as on the standard date in 1925.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Before asking the House to adopt the motion I desire to point out that in paragraph 3 of the resolution an omission has occurred either on the part of the officers having charge of it or on the part of the Printing Bureau. The paragraph should read:

Twenty per centum of the purchase price of all live stock advanced to the settler and purchased on or after the first day of October, 1920, and prior to the first day of October, 1921.

If the House will accept this correction, I beg to give the customary notice that at the next sitting I shall move the resolution.

Motion as amended agreed to.

CIVIL SERVICE ACT, 1918, AMENDMENT

Right Hon. W. L. MACKENZIE KING Prime Minister): Mr. Speaker, in the absence of the Postmaster General (Mr. Murphy) I beg to give notice that to-morrow he will move the following resolution which appears in his name:

Resolved, that it is expedient to amend the Civil Service Act, 1918, as respects certain Post Office employees, and to provide, (1) That when it has been determined by the Governor in Council that any post office, the employees of which do not come under the Civil Service Act, is to be brought under the said act, any person then employed in such office who has had at least two years postal experience, one of which was in the office in question, and who was, at the commencement of his service, within the limits of age prescribed by the Civil Service Commission, and who satisfies the Civil Service Commission that he possesses the necessary qualifications, shall be considered eligible for appointment to any position in such office without competitive examination, provided, however, that any person employed in any such post office on the date of the coming into force of this provision shall be eligible for appointment, even though he was not at the commencement of his employment within the limits of age prescribed by the Civil Service Commission;

(2) That upon an appointment being made, the person appointed shall receive the same salary as he was receiving immediately prior to such appointment, except that if the salary prior to appointment is less than the minimum rate of the position to which he is appointed, his salary shall be increased to such minimum rate, and if the salary prior to appointment exceeds the salary of which he would have been in receipt had he entered the service at the minimum rate of the class and had been allowed a number of annual increases equivalent to the number of years of his service, the salary to be paid to him upon appointment shall be fixed by the Civil Service Commission.

I am informed that His Excellency the Governor General has been made acquainted with the subject matter of this resolution and recommends it to the favourable consideration of the House.

Motion agreed to.

EMPIRE DAY

FLAGS ON PUBLIC BUILDINGS

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I desire to draw to the attention of the government the deplorable absence of flags on the government buildings in this capital of Canada on such a memorable occasion as Empire Day. While flags are flying on the Connaught and Hunter buildings, as well as the two flags on these buildings, the bare flag pole in front of the Queen Victoria monument is a poor tribute to the memory of that great sovereign, and the bare flag pole in front of the monument to Sir John A. Macdonald is also a poor tribute to one of our outstanding statesmen. Although we may hold our sittings to-day, I think we could do so with greater propriety under the flags of our nation on such an occasion as this, and I think I am expressing the opinion of the great majority of the people of Canada in regretting that apparently no official authority has taken notice of this omission. In fact it was drawn to my attention by visitors from Montreal. May I ask the government if we cannot have our flags flying for the remainder of this day, or at least some time before sundown?

Hon. J. H. KING (Kootenay, Minister of Public Works): Mr. Speaker, I will make inquiries respecting the matter complained of. Of course, the flag on the Commons side of these buildings is flying half mast to-day on account of the death of one of our members. When the tower is constructed the main flag will fly from its summit. In the meantime

two flags are flown when parliament is in session, one on the Senate side and the other on the Commons.

Mr. LADNER: Mr. Speaker, the flags on the parliament buildings are always flying while the Senate and Commons are in session. I am referring to the flag poles in front of the monuments to Queen Victoria and Sir John A. Macdonald, and to those on the whole row of public buildings opposite this structure. No doubt the matter has been overlooked, and now it has been drawn to the attention of the government, I hope the omission will be made good without delay.

Mr. KING (Kootenay): It will be attended to.

PRIVILEGE—Mr. McBRIDE

Mr. T. G. McBRIDE (Cariboo): Mr. Speaker, I rise to a question of privilege. It has been circulated, both through the press and otherwise, that the member for Cariboo (Mr. McBride) has been canvassing the government for a seat on the Harbour Board of Vancouver. I desire to state most emphatically that the member for Cariboo has never canvassed any member of the government directly, or indirectly, for such a seat; nor would I be in a position to accept the honour if it was offered to me.

MARINE INSURANCE RATES

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, the hon. member for St. John City and Counties of St. John and Albert (Mr. MacLaren) asked me on Friday last if the government had received a report from the Imperial Shipping committee dealing with marine insurance as affecting Canada, and if so, would I state to the House in a general way the terms of the report. I mentioned at the time that a report had been received dealing with the subject and that I would look it over and advise him later. I have in my hand an interim report, dated last year, which the government received and which I will put on the table so that my hon. friend may peruse it himself. I think, however, that what he has in mind is a second report, possibly the final report on this matter. I am informed that the final report is now almost ready for signature, but that it has not as yet been signed. I am therefore not in a position to reveal its contents.

Mr. MURRAY MacLAREN (St. John City and Counties of St. John and Albert): Mr. Speaker, I have had an opportunity of seeing the report that has just been placed on the table by the Prime Minister. As it happened, I had information, which I think was very reliable, that a further report had been forwarded to the Canadian government. That information came from England, consequently it must go back at least ten or twelve days. It may be that this final report will be received at an early date; or is it possible that the officials have not yet laid the report before the Prime Minister?

Mr. MACKENZIE KING: No, my hon. friend has doubtless been correctly informed from the Old Country as to the report having been forwarded, and I have in my hand what I think is the document he refers to. It is marked "secret", as it is simply a draft, but it was accompanied by a communication stating that it was receiving further consideration. I shall cable to England to ascertain whether the report has as yet been signed. As soon as I am advised that it has been signed I will endeavour to see that my hon. friend is favoured with a copy.

BUSINESS OF THE HOUSE

FURTHER LEGISLATION

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, we are now in the last week prior to the month of June and close to the end of the fourth month of this session of parliament, but the chief business of the session is not yet before the House. I refer to what has been announced as the main public business of this session, namely, the disposition of the troublesome freight rate situation. I did rather hope that this motion of the Minister of Railways dealt with it, but his explanation disabuses my mind of that anticipation. It seems to me there is no reason why legislation of this character should be rolled in on the House when we are on the last lap of the session. If there was any that should have been first, it is this, for the reason that the rate situation in the country in the meantime is chaotic; gross discriminations are prevailing and gross injustices ensuing. I call the attention of the government again to this matter, which seems to me of paramount consequence. As a matter of justice to parliament it should have been down before and should now be down without further delay. The same remarks, with only less force, apply to legislation respecting the Home Bank. I do not see how that legislation could be difficult of preparation, whatever other difficulties may be entailed in it. There is no notice of that yet. These two are the paramount pieces of business of this session.

While I am on my feet may I call attention also to another matter, the reason for the delay in connection with which we know —that is, the Australian treaty. Previously I have urged upon the government that if they could not introduce their legislation—and I am unable to comprehend the force of the reason for that, although it has been given —I cannot see what possible objection there would be to placing on the table a memorandum embodying the proposals jointly agreed to, so that this House at least could have the advantage of studying those proposals and being prepared for such legislation as later may be submitted.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): The remarks of my right hon. friend in reference to what is known as the railway rates question are in accordance with the views of the government and, I imagine, with those of all hon. members—that is, as to its being a question of paramount importance. As he has pointed out, the rates question is now in a chaotic state, and I presume no member of the House has that called to his attention with greater regularity than the Minister of Railways. I hope to be able to bring down next week at the latest a bill dealing with this question.

Mr. E. J. GARLAND (Bow River): In view of the fact that the government intimated not long ago that they hoped to see prorogation reached by about the 15th of June, and as the leader of the opposition (Mr. Meighen) has already pointed out the shortcomings of the government, or the delay at least on their part, with regard to freight rates, it might not be amiss if I should suggest that there are still outstanding such important pieces of legislation as rural credits, revaluation of soldiers' land, and several other matters which are of paramount importance at least to the west. If the government intend to get through any of this legislation during the present session most of it should certainly be before the House now.

Hon. J. A. ROBB (Acting Minister of Finance): Answering my right hon. friend (Mr Meighen) regarding the Home
4 p.m. Bank, while I make no commitment in the matter I fully expect that the legislation in that respect will be brought down this week.

Mr. MEIGHEN: I would remind the minister that the last hope expressed in that matter was dashed to pieces long ago. Is this hope more reliable?

Mr. ROBB: Oh, I would not admit that any hopes I have held out to my right hon. friend have been dashed to pieces. Regarding the question of the hon. member for Bow River (Mr. Garland), had he been in the House he would have observed that I gave notice of a resolution to-day regarding the revaluation of the stock of soldier settlers.

Mr. GARLAND (Bow River): I suggest to the minister that this is the least important of the problems facing the soldiers. It is land revaluation they want, far more than the mere revaluation of stock; and that is what I referred to. May I also say that we received an assurance from one of the members of the government not long ago that legislation in this connection would be brought down this session?

Mr. MEIGHEN: I want to call the attention of the Acting Minister of Finance to the fact that he has not made reference to my request as respects the Australian treaty.

Mr. ROBB: In this chamber so many times I have given the answer to my right hon. friend regarding the Australian treaty that I have nothing to add to what I have already said.

Mr. MEIGHEN: Why not lay on the table a memorandum embodying the arrangement so far as arrived at?—because I believe an arrangement was completed. Why can we not have the memorandum so that we may know what we are going to have to face?

Mr. SPEAKER: Orders of the Day:

Mr. MEIGHEN: No answer.

EXPORT OF POWER

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I would like to ask the government if they have come to any conclusion as yet with regard to the request of the municipalities of Ontario in connection with the long term contract for power export which is now burdening them.

Right Hon. W. L. MACKENZIE KING: (Prime Minister): The matter is still under consideration.

GERMAN SECURITY QUESTION

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): I want to ask a question of the government arising out of a brief report in this morning's Citizen. The report is as follows:

The Canadian Press understands that the reply from France on the questions asked by the British government in regard to the meaning of some portions of the French draft of the reply to Germany on the security question has been received in London.

Some surprise was expressed in authoritative quarters at the suggestion that the British dominions were not kept continuously informed with the discussions on this subject, the fact being that in this, as in all other matters, the overseas dominions are kept fully informed of all developments.

If that is so; if we have been kept fully informed of all developments, can the government tell us what was the import of the answer of France to Germany on this question?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The statement that the government is being kept informed is quite correct. I have before me at the moment a despatch, dated at London on Saturday and received at my office to-day, with respect to this matter, but it is marked "confidential." From the nature of it I can see that it is quite confidential and that it would be improper to communicate any portion of it to the public at the present time. It contains some matters to which the British government wish to give further consideration before making a public pronouncement. As soon as the British government is in a position to make a public pronouncement, we shall be in a like position.

CANADA-NETHERLANDS CONVENTION OF COMMERCE

The House resumed from May 18, consideration in committee of Bill No. 129, respecting a certain trade convention between His Majesty and the Queen of the Netherlands—Hon. Mr. Robb—Mr. Gordon in the chair.

The CHAIRMAN: All the sections of this bill have passed except the schedule.

Mr. ROBB: The schedule was held over at the request of the leader of the opposition who had some doubt as to the applications of the tariff regarding the British preference. I have a letter from the Consul General of the Netherlands in Canada, dated May 21, 1925, confirming a telegram which I also have and which I will read to the House. The letter, which sets forth the telegram, is as follows:

Consulaat General der Nederlanden.
511 St. Catherine Street W.
Drummond Building R. 823.
Montreal, May 21st, 1925.

No. 1652

Dear Mr. Robb,—With reference to my conversation with Mr. Russell, Commissioner of Tariff, I have the honour to inform you that I have just sent to you the following telegram:

"With reference to the point raised in Canadian House of Commons that article one of the Canadian Netherland convention of 11 July, 1924, might be interpreted to give to the Netherlands the benefits of the Canadian British preferential tariff and to my conversation on the subject with Commissioner Russell, I have the honour to inform you that according to a cable dated May 20th received from the Minister of Foreign Affairs at the Hague, the Netherland Government has not at all the intention to claim the benefits of the said British preferential tariff under article one of the said Canadian Netherland Convention, and, furthermore, that in the opinion of the Netherland Government the claiming of the benefits of the said British preferential tariff would not be justified under the text of the said convention. Confirmation of this telegram follows by letter.

Yours faithfully,

TH. H. DE MEESTER,
Consul General of the Netherlands in Canada

I hope this explanation will satisfy my right hon. friend.

Mr. MEIGHEN: Will the minister take similar steps to see that the other treaty is likewise protected? I am satisfied with the assurance given in this case; if I caught it correctly I think it covers the ground. Perhaps, now that we have emerged from the dignified atmosphere of the orders of the day, the minister would tell us whether he will not give us a synopsis of the arrangements with Australia, and let the House have the advantage of knowing it. I cannot see how he would be prejudiced by doing this.

Mr. ROBB: I should like to oblige my right hon. friend. I do not like to start on Monday refusing him anything, but no good purpose can be served by a continuation of the discussion of this question in the House. Let us wait until Mr. Ross, the Trade Commissioner, arrives in Australia, and then perhaps within a day or two afterwards the necessary facts will be available.

Mr. MEIGHEN: I have never suggested that there should be any discussion until the government brings its policy down; I know that would be quite improper. What I am asking for is merely information. Surely the minister does not think it is best for parliament that all these matters be loaded in upon us in the last few days of the session?

Mr. ROBB: It is not best for the minister in charge. I admit that.

Mr. MEIGHEN: I am afraid there is something wrong there.

Schedule agreed to.

Bill reported, read the third time and passed.

DAIRY PRODUCE ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 72, to amend the Dairy Produce Act.

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

On section 1—Regulation.

Sir HENRY DRAYTON: Has the minister considered the question of amendment there?

Mr. NEILL: Has this section been amended on the report of the committee on Agriculture?

The CHAIRMAN: No, apparently not.

Mr. NEILL: I understood it was.

Mr. MOTHERWELL: No. The bill was very fully discussed in committee and no change was suggested—in fact the committee was unanimous in endorsing the measure.

Mr. NEILL: The bill was very fully discussed in this House before it went to the committee, and there was a very strong expression of feeling that it required amendment by the leader of the opposition and others. With the general intention of this bill there is no complaint to be found. That is, if it is to prevent the exportation of inferior butter. But that could be arrived at by changing this section so that it would only apply to prevention of export. As the section is worded, however, the department takes the power to refuse to grade anybody's butter under any condition whatsoever. Now, that is not the right way to go about it. It is not right to prevent a man from caryying on his business. It is not right to say that because a man has once done wrong he should be put out of business altogether; that would be interfering with individual liberty in a free country, so to speak. If a man has done wrong he should be punished; if he continues to do wrong he should be punished again; but why say arbitrarily to that man, "Because you have once or twice exported bad butter we will never again grade your produce?" That is not compatible with—I was going to say—freedom of action; the object of the government could be well achieved by making this section give it power to refuse to give export certificates for bad butter, which is really the object aimed at according to the explanation furnished by the department itself. I should like to ask the minister what objection he has to making such an amendment?

Mr. MOTHERWELL: That is all the proposed legislation does apply to; we have no provision for grading butter for home consumption. The provision applies entirely to butter intended for export. If anybody wants his butter graded for home consumption such action on his part is entirely voluntary. The illustration given on the page opposite to the clause we are considering is only one but there are half a dozen reasons why we should refuse certificates in the case of butter for export. Some of the factories and creameries, for example, have been very dilatory in taking out their registration numbers. It is absolutely necessary that they should register and be given a number so that if anything goes wrong in the case of butter on the export market we can trace it right back to the very factory from which it came, and the very vat in which it was made.

Sir HENRY DRAYTON: I think the hon. member for Comox-Alberni (Mr. Neill) is absolutely correct. All he wanted, and all that any of us wanted, at the time the discussion took place, was to make it clear that while this grading should apply to butter or other products which ought not to be exported, in a word, to bad produce, a certificate should not be refused on any other ground except that the produce was bad. We suggested at the time that the provision should read:

> For refusing to grade dairy produce deemed unfit or unsuitable for export.

That was the only ground on which the minister himself thought the grading should be refused. This amendment is simply for the purpose of showing clearly that this grading shall only be refused in connection with butter which should not be exported.

Mr. MOTHERWELL: Let me repeat, Mr. Chairman. that the reason I have given is only one illustration why we should have the power to refuse to grade. In committee we went very fully into all the other reasons. For instance. suppose the producer refused to subscribe to the requirement in regard to the character of the boxes or the hoops to be used, or any other provision of the law and so tend to prejudicially affect our dairy products in the Old Country market, how are we going to get at him? A mere nominal fine will not bring him to time. We must in some way protect the rest of the dairymen; those who observe the law should not suffer from the odium incurred by reason of the conduct of one or two offenders. This is a power which we are exercising now, and we exercise it quite frequently in the case of cheese sent to Montreal, or any other point where there is cold storage and where we have graders. If the cheese is only three or four days old we refuse absolutely to grade it until the product is sufficiently

ripened to be worthy of the name of cheese. We are exercising this power now, but we really have no legal authority for doing so. If some person challenged our right to refuse to grade green cheese it would be found that we do not have that power under the law. However we are acting on the assumption that we have the power; and we reserve to ourselves the discretionary right not to grade green cheese until, at least, it is ten or twelve days old. Therefore we are only asking, in this section, the right to do what we are actually doing at the present time. As a matter of fact nobody has taken exception to our exercising that authority. However, supposing they did object and brought suit against us for not grading this green cheese when it was three or four days old, seeing that we are without any authority, we might lose the case before the courts. And yet it would be quite unfair to the legitimate makers of cheese that the grade should be issued when cheese was green. You cannot give a grade to cheese when it is green; at that time it is not cheese but simply pressed curd. It took about a year to get our creameries to register. The committee will remember that about two years ago a certain sample of butter was put on the market in Great Britain and was reported in the press as having made people sick. Doctors were called in and they discovered bacteria in it. Do hon. members mean to say that a creamery should be allowed to turn out a product that was going to prejudice the entire trade of Canada?

Sir HENRY DRAYTON: Certainly not.

Mr. MOTHERWELL: No. We should have the discretionary power. When the whole trade of the country is in danger we should have the power, not only to fine a man and correct the difficulty, but we should be able, if a man persisted, to stop him altogether. This provision only applies to export butter. Occasionally a man voluntarily comes to us and asks for a grade for butter for home consumption. We have very rarely given it; if we have time we give the grade, but if not we do not grade it.

Mr. NEILL: The minister's explanations are entirely apart from the line of argument I am trying to present. I am not objecting to his refusing export certificates for any product whatever. He does it every day in the week, and it is quite all right, so far as I am concerned; but I object to the department taking arbitrary power to refuse to grade the dairy products of any man because they do not like the colour of his hair or the place he comes from. If they do not like a man they can say to him, "I will not grade your products." The minister reads into the act something that is not there. He says we are only going to apply this provision to a man who habitually breaks the law and going to say to him, "Now we are tired of you, and will not grade your butter." But the act will also apply to the man who never had any produce graded. They may give some extraordinary reason, or none at all, and say to the man, "I will not grade your butter." That is not compatible with our ideas of justice. The remedy is to refuse to give him an export certificate. The minister says that is no punishment, because he will pay the fine; but if the man cannot export his product, he will very soon get tired of producing it, because if he cannot ship it he will have to take it home. There is nothing profitable to him in that. Paying the fine is not the principal thing, it is the loss of the shipment and being compelled to dispose of it in some other way; and if his product is continually rejected on account of being an inferior grade, he will stop trying to export it in a very short time.

Then another point: How is a man to know why his produce is rejected, if you refuse to grade it? They may say it is rejected because it is not a good product, but how do they know that? The product should be graded, and if it is inferior it should be rejected. That will penalize a man far more than a fine. But it is not fair to say "I will refuse to grade your product." Suppose a man, through the carelessness of his servants, has made one or two inferior shipments and they have been rejected. That is no reason why he should be put out of business. If a man reforms, intends to do better, and to exercise more care, he should be allowed an opportunity to go on. I observe a great deal of the legislation proposed by the Department of Agriculture is framed along the same lines and extremely arbitrary; they take upon themselves a power which no other department ever assumes. It may be that there is a lack of co-ordination between the Legal branch and the Department of Agriculture. Time and again we have had occasion to protest against the arbitrary powers assumed by some branch or other of the Department of Agriculture.

Mr. MOTHERWELL: We are endeavouring to raise the quality of good exportable farm products, and in doing that we increase the temptation to people to try to export inferior goods, and that means that we must have more restriction. There is not one-half

the arbitrary provisions in this law that you will find in the Australian or New Zealand laws.

Mr. NEILL: It is not a restriction; it is a prohibition.

Mr. MOTHERWELL: We do not say that we do not propose to grade anything because it is bad. We will grade the butter, as long as it is what it pretends to be. But if a man sends over adulterated butter, we have to prosecute him, and if he persists—and only under those circumstances—we decline to grade.

Mr. NEILL: That is not put in the act.

Mr. MOTHERWELL: That is the fact. Take the other illustration in regard to cheese. I submit that you cannot specify all the offences imaginable. If you try to do so, something else crops up and you cannot deal with it. I was illustrating that with regard to cheese that was found to have certain bacteria existing in it which allegedly endangered the life of certain parties who ate it. We have a bacteriologist who has been placed in charge to look after such things. If the man who sent the allegedly dangerous cheese had been allowed to continue his shipments he might have hurt our cheese trade, and if we are going to do justice to the cheese men of the country we must have this authority; there is no question about that.

Then with regard to registration: It was with the greatest difficulty that we prevailed upon the creamery and cheese factories to register. No registration fee was charged and all they were asked to do was to send their address and location and we would allot them a number. Having the number, it is possible to trace any cheese or butter back to the factory. If the factory persists in not having itself numbered or identified, we say, "All right, you persist in the refusal to register, and we will have to decline to grade your produce". That is not unreasonable. If my hon. friend thinks it would be providing any safeguard to say that this does not apply to butter for home consumption, I have no objection, but there will be a danger in that.

Sir HENRY DRAYTON: I think we all agree with everything the minister says, except the application he seeks to make of what he says to the subject before him. He does not want to do any injustice to anybody, and only desires to refuse grades for produce which is not a good quality, and to refuse certificates to those who habitually break the law. But why does he not say so? That would be the easiest thing in the world. We have the two points before us, and I think the protest of my hon. friend (Mr. Neill) is absolutely right. I do not know why the minister objects to it because what he asks is simply to put in writing what the minister says in words.

Mr. MOTHERWELL: We have it.

Sir HENRY DRAYTON: No, what we have here is something which would enable the department to withhold a certificate without any conditions, for any possible earthly reason, or for absolutely no reason at all. Surely that is not good legislation.

Mr. MOTHERWELL: Would my hon. friend suggest that we enumerate the number of offences?

Sir HENRY DRAYTON: No. In the first place two things came up. The first was the article itself. As regards the refusal to grade dairy produce, the word "grade" there, I assume, is not the testing of the butter but is used in the technical sense that after testing the butter, you give it an appropriate grade?

Mr. MOTHERWELL: Yes.

Sir HENRY DRAYTON: Of course, unless we use the word in that sense, the sentence would have no real meaning, because refusal to grade would mean refusal to consider, and I apprehend that is not what is meant. What is meant is that after the inspection is made and the test made, the appropriate grade is to be given. After the minister says that after that is done, they should have the right to say there shall be no grade at all and refuse all grades. He says: they should have that right because, if not, unfit produce may be exported to the harm of our whole export business. He is absolutely right. The claim is made that we should show what we are doing in using the word "grade" in the sense the minister uses it in his draft bill. He will get around that point entirely by inserting after the word "produce" simply the following amendment:

Deemed unfit or unsuitable for export.

Paragraph (g) will then read:

For refusing to grade dairy produce deemed unfit or unsuitable for export.

That is all he says he wants. I am taking him at his word. Then again he says: "But there is another case than the grading of the article itself. We want to be in a position to police people who will not properly carry on business. They may have a good article that ought to be graded, but they may do this, that or the other thing which renders it dangerous for us to give them a grade at all."

He says: That applies in the case of a man who habitually pays no attention to our regulations. Again that can be clearly shown. If clearly shown, the sentence would read thus:

And for withholding grade certificates to any person habitually guilty of disregarding the regulations under this act.

That is what my hon. friend says he wants to do. He says he wants to be fair to the trade. Why not do that? It covers both of his points.

Mr. NEILL: I think the situation can be met by a simpler amendment than that suggested by the hon. member. If we strike out the first seven words in paragraph (g), that will meet the whole situation. The minister will then be given power to withhold export certificates because the certificates are for export. A man cannot export butter unless he has an export certificate. If that is withheld the whole situation is met. The minister does not need power to refuse to grade. Such power might be used in a very arbitrary manner and there is no necessity for it. The explanation given on the right-hand page reads:

If such butter and cheese is not graded, and no certificate issued, it cannot be exported.

Let me read this again in a different way:

If such butter and cheese has no export certificate issued, it cannot be exported.

Refusal to grade is not needed at all. So long as you keep it from going out of the country, that will settle the situation as regards export. It will punish the man and prevent him from committing the offence again.

Mr. MOTHERWELL: Does my hon. friend suggest that the word "export" be inserted?

Mr. NEILL: I would strike out the first seven words of paragraph (g) and make it read like this:

For withholding export certificates.

Mr. MOTHERWELL: There is not very much difference. I have tried to assure my hon. friend that this is only for export but if he would feel better satisfied if the words "for export" were inserted, there will be no objection.

Mr. NEILL: Insert the word "export" instead of "grade."

Mr. MOTHERWELL: Why not make it read: "For refusing to grade dairy produce and for withholding grade certificates for export"?

Mr. NEILL: My whole case is my objection to giving power to refuse to grade butter for any man. That is an arbitrary

[Sir Henry Drayton.]

power. The minister says that he will not exercise it except under certain conditions, but those conditions are not stated in the legislation. He is taking full power to refuse to grade perhaps an honest man's honest butter because, he says—this power is sometimes required. That is not the way to handle the situation. The object is to prevent bad butter from being exported and this can be met by making paragraph (g) read:

For withholding export certificates.

Mr. MOTHERWELL: Again I assure my hon. friend that the question is not whether the butter is bad or good. The British market will consume anything that is fit for human consumption. When a man finds it more profitable to continue to commit an offence and to pay the fine so long as he can export, we want to say that he cannot export. There may be a dozen offences of this nature. We are exercising this power now and unless we have this legislation, somebody is going to challenge our power and we shall find that the door will be open to all kinds of exportable stuff. No arbitrary power has been or is being exercised in this matter, and the law is not one-half as strict as the laws of either New Zealand or Australia. Unless we tighten up our laws in many other respects, we are going to find our export in many other commodities will be gravely jeopardised by dishonest exporters.

Mr. NEILL: What more power could the minister need than when he has full arbitrary power to withhold a certificate for export? We have not the laws of New Zealand here for purposes of comparison. It is a standard argument that something else is done somewhere else. So long as we give the minister or his agents precise power to forbid any export, surely he does not want any more than that. He has the power to refuse any export certificate. Is that not sufficient? No, he says, in addition to that I will say to Tom Jones: "I will not grade your butter." Is that fair?

Mr. MOTHERWELL: We threshed this matter out pretty fully in the Agriculture committee and there was not a single dissenting voice. If the matter were otherwise, I would be disposed to ask that the committee rise and we discuss this further with my hon. friend because I do not think he understands the question at issue. But in view of the unanimity in the Agriculture committee and the fact that we are exercising this power now, I think that we should proceed with the bill. It is simplicity itself—the right to withhold a certificate from offenders of the law, as for instance, men who deliber-

ately refuse to register their factories. There are probably half a dozen other reasons. The thing is so elementary in its rightness. We should know now whether the department should have that power or not. If we cannot get that power and are assuming the right to exercise a power we do not possees, what will happen? We shall be unable to prevent goods being sent abroad that will do harm to our export business. I do not want to see that, and I do not think the committee wants it. No specific power is given now and we are merely exercising it without legislation. There is no complaint of abuse. Why should we abuse it? We are, if anything, erring on the side of leniency.

Section agreed to.

Bill reported, read the third time and passed.

ROOT VEGETABLES ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 116, to amend the Root Vegetables Act.

He said: I desire merely to have this bill given the formal second reading and referred to the select standing committee on Agriculture and Colonization.

Motion agreed to and bill read the second time.

PUBLICATION OF THE STATUTES

CONCURRENCE IN SENATE AMENDMENT

Hon. GEORGE P. GRAHAM (Minister of Railways) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 41, respecting the publication of the statutes.

Sir HENRY DRAYTON: What is the nature of the amendment?

Mr. GRAHAM: The only amendment proposed by the Senate relates to paragraph (a) of subsection 3 of section 10. The bill as it went to the Senate read:

> The members of the two Houses of Parliament respectively, who shall each be entitled to receive such number of copies as is, from time to time, directed by the Governor in Council,

The amendment proposed inserts, after the word "by" in the last line of this provision, and between the words "the Governor in Council", the following words:

> —joint resolution of the said Houses, or, in default of such resolution, as is directed by.

Sir HENRY DRAYTON: What the Senate has done is to preserve the present rights of parliament under the existing law.

Mr. GRAHAM: Yes.

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

MEAT AND CANNED FOODS ACT AMENDMENT

The House resumed from May 11 consideration in committee of Bill No. 73, to amend the Meat and Canned Foods Act—Hon. Mr. Motherwell—Mr. Gordon in the chair.

On section 1—"Canned foods".

Mr. NEILL: Does this apply to canned salmon?

Mr. MOTHERWELL: It was my understanding, and I think I am right in saying that it does not.

Mr. NEILL: "Canned foods", according to this section, includes "foods that have been pre-heated, cooked, preserved, condensed", and so on. If that does not cover salmon I should like to know why, how or where it does not.

Mr. MOTHERWELL: I understand that there is another act relating to salmon. My hon. friend (Mr. Stevens) asked me the same question on a previous occasion. I wonder whether he has looked the matter up.

Sir HENRY DRAYTON: Would it cover canned sardines?

Mr. MOTHERWELL: It does not apply to fish at all.

Mr. STEVENS: The minister will recall that on two previous occasions I drew his attention to this matter, not for the purpose of interfering with the passage of this legislation but because this is of some importance. We are passing a good deal of legislation of this character, some of which is regarded as harassing to business, although I am not saying that this is. We shall wake up to find, if this bill passes that under its powers the inspectors will be dealing with canned salmon as well as with canned foods generally. The section clearly refers to foods of all kinds.

Mr. MOTHERWELL: I will let the section stand.

Mr. STEVENS: The pure food law is the one to which the minister refers.

Mr. LOGAN: Would the section apply to canned tomatoes?

Mr. MOTHERWELL: I think we had better let it stand.

Section stands.

On section 2—Canned fruit or vegetables or food to be offered for sale in prescribed containers only.

Mr. MOTHERWELL: Heretofore the containers have been specified by dimensions but the specific gravity of the contents varying, the weight would vary, so that although a tin by measurement might be supposed to contain four pounds, the contents would not be quite up to that weight. It was therefore necessary that the containers should bear a label indicating that the weight was so much, less so many ounces. Now, instead of having the containers conform to a certain size, we are providing that the contents must weigh so much net. In the case of grain, a bushel of wheat might weigh more or less than a bushel of some other product; just the same as a bushel measure of potatoes will hold a very different weight from a bushel measure of wheat. So a four-pound syrup container, while it will hold this weight when the syrup is thick, will not when the syrup is thin. Consequently, with the specific gravity of these commodities varying so much, we find we cannot protect the public by specifying a certain size of tin; the only way is by prescribing that the tin must contain so many pounds net.

Sir HENRY DRAYTON: I wonder, Mr. Chairman, what the minister says about the meaning of the term "food or food products." If the question is open under the first section, it must also be open under the second.

Mr. MOTHERWELL: The principle embodied in the second section is the size.

Sir HENRY DRAYTON: Yes, but it applies to any food or food products just as much as the preceding section does.

Mr. CAHILL: Why should it not apply to all foods?

Sir HENRY DRAYTON: I am not answering my hon. friend's question; I had not anything to do with the preparation of the bill, and that was not the subject of my inquiry. Recently an hon. gentleman interested in the fish business—probably my hon. friend was not here—wanted to know whether the previous section covered salmon or not.

Mr. CAHILL: I was here; but this section refers to canned foods.

Sir HENRY DRAYTON: This is the same thing. Is the article salmon covered under the term "food or food products?"

Mr. MOTHERWELL: I think that that is very largely a technical objection.

[Mr. Motherwell.]

Sir HENRY DRAYTON: It is no more technical in one place, Mr. Chairman, than it is in the other.

Mr. MOTHERWELL: Oh yes, I think a real question was raised the other day by the hon. member for Vancouver Centre (Mr. Stevens).

Sir HENRY DRAYTON: The definition we have here is the definition under which this act is going to be administered. Of course, I may be making a violent assumption in thinking so. There is your definition, that "canned foods" includes "foods that have been preheated, cooked, preserved," and so forth, and this very next section says "all canned fruit or vegetables, or products thereof"—there is no trouble about that— "or any food or food products which may be named by the Governor in Council," and so forth. It is perfectly clear that if in the opinion of the minister this section ought not to apply to fish it is no good our considering it now. Why not let the whole thing stand?

Mr. MOTHERWELL: We might make a little progress, that is all.

Sir HENRY DRAYTON: I do not know that it makes a bit of difference letting it through while the other stands.

Mr. MOTHERWELL: If we find the interpretation clause has to be changed to exclude all kinds of fish, we can attend to it.

Sir HENRY DRAYTON: If you make the change in the first section it will have the effect of taking it out of this other section; there is no question about that.

Mr. MOTHERWELL: If we except fish, which we may have to do, then section 2 will be subject to the interpretation clause.

Sir HENRY DRAYTON: My hon. friend is quite right; that is how it should be, but it is not so drawn. It is another evidence of the careless way in which these amendments are drafted. This section is to apply to any food or food products, and everybody knows that fish is a food product. But I do not know that it makes very much difference so long as the whole matter is held over.

Mr. MOTHERWELL: I do not think it does either, but I should like to have the opinion of the committee as to the principle of selling the contents by weight rather than by measure.

Sir HENRY DRAYTON: I think everyone would say that that is right.

Mr. MOTHERWELL: All right, Mr Chairman, I move that the committee report progress and ask leave to sit again.

Mr. HUGHES: Mr. Chairman, before the committee reports progress, I should like to ask the minister a question. I heard him say that he might introduce an amendment excluding canned fish from the act. Now, is lobster fish or meat? I do not think the question has been settled.

Mr. MOTHERWELL: I do not know.

Mr. HUGHES: It is supposed by some people to be meat, and I think it is classed under that head.

Mr. COOTE: Why should not salmon be included in this act?

Mr. MOTHERWELL: I am under the impression that fish is dealt with in another act, and I must accept responsibility for neglecting to look it up so I could give the committee that assurance. I will certainly have that information ready the next time this bill is dealt with.

Progress reported.

SUPPLY

TRADE AND COMMERCE

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee of Supply.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Before you leave the chair, Mr. Speaker, I would refer to the question raised the other day by the right hon. leader of the opposition (Mr. Meighen) as to the Minister of the Interior (Mr. Stewart) having gone into supply while we were in supply of some other department. I just wish to make it clear to my right hon. friend that to-day we are going into supply in the name of the Minister of the Interior, although we may take up, between now and six o'clock, some supply of the Minister of Trade and Commerce, and go on with supply of the Department of the Interior this evening.

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

Trade and Commerce—Honorary Advisory Council for Scientific and Industrial Research (including the collection and distribution of information; fellowships, studentships and bursaries for the training of scientific researchers for service in Canadian industries and technical departments of the government service; grants in aid of scientific and industrial researches; special problems; salaries of the staff; printing and stationery), $120,000.

Hon. T. A. LOW (Minister of Trade and Commerce): Mr. Chairman, there is no change in this vote, which is for the purpose set out in the estimates.

Mr. STEVENS: Mr. Chairman, this item is of very much more importance than is indicated by the amount voted, although that is considerable. It deals with a subject which I know commands the interest and consideration of a very large number of the citizens of this country, particularly those engaged in educational and industrial affairs.

Parliament has from time to time given consideration to this matter; in 1918 or 1919 a very important committee of parliament studied it in considerable detail. It has been the view of many that the scope and usefulness of the research council should be extended and that their work should be recognized by larger support from the country. So far as I have been able to learn, the work they are carrying on is deserving of the highest commendation. Unfortunately I do not think the people generally either adequately appreciate the value of that work or are sufficiently acquainted with what is being accomplished, and parliament might very well spend an hour or two in the consideration of the activities of this very important branch of the public service. For myself I would like to see every member of the House become fully seized of the necessity and value of this work. As to the personnel of the council, presided over, I believe, by Dr. Tory, I think it is deserving of recognition; at least the efforts of the council deserve such recognition as parliament can give by a consideration of the work undertaken, the results accomplished, and the researches in prospect. Personally I would like to have seen the vote increased. I would like to see this type of work seriously taken up by parliament and the great educational institutions of the country, with a co-ordination of all activities to bring about the best possible results.

There is, for instance, the great question of the natural resources of Canada, to which I know the research council have given a great deal of study and in regard to which they have compiled some exceedingly valuable information—information which, if parliament were fully siezed of its importance, would have a great influence upon its decisions in various lines as regards bills presented, estimates passed, and so forth. I would ask the minister to give the committee an outline of the work of this important body.

Mr. LOW: I agree with the hon. member that the work being carried on by the research council is of great value to all classes of industry. It is carrying on a number of important investigations; I might give the committee some idea of the work by citing

a few of these from the list of researches being conducted at present:

New process in the treatment of the separation of silver, lead, zinc, in the concentrates of complex ores.

Investigation on ball milling and rock crushing with rolls.

Utilization of Canadian iron ores.

Certain phases of the destruction of piling by marine boring animals.

Research on the cereal grain rust problem of western Canada.

Deterioration of concrete in the alkali soils of western Canada.

Nature of winter hardiness in crop plants, alfalfa, clover and winter wheat.

Possibility of economically cultivating several essential oil and drug yielding plants in British Columbia.

Reforestation in New Brunswick

A co-ordinated and concentrated attack on tuberculosis in man and animal.

Relation of soil acidity to nitrogen-fixing bacteria.

To ascertain the food relation of certain minute organisms in the cultivation of fresh water fishes.

Number and kind of bacteria found in frozen fish obtained from the Atlantic and Pacific seaboards of Canada with a view of obtaining information that will be of service to the fishing industry.

The laws governing the sizing of crushed minerals on sieves.

Artificial propagation of the sturgeon.

Investigation of plant extracts containing glukokinin.

Best methods for obtaining accurate results in testing varieties, strains and treatments of grains.

The isolation of vitamin B and the determination of the chemical constitution by this compound.

Investigation of the life history and economic importance of the onion maggot in the Montreal district.

Processes in evergreen plants whereby they are rendered capable of growing and forming their organic compounds during the very low temperatures of the winter season.

Variation with frequency by the power loss in dielectrics.

Channel interference in wind channel testing.

Investigation into the distribution, life history, amount of damage caused by, and the best methods for reducing losses from wireworms.

These are some of the researches being carried on at present by the research council.

Mr. STEVENS: That is an interesting index, but it is not a very full or satisfactory description. May I ask the minister a few questions based upon the list he gave? He referred to matters affecting various phases of agriculture, such as soil bacteria, the question of rust, of winter hardiness in crop plants, such as clover, and so forth; tuberculosis in animals, and some investigations regarding grains, onion maggots, and wireworms. These are subjects directly connected with agriculture. Does the Department of Agriculture cooperate with the research council in this work, or is there duplication? We had a very lengthy dissertation of about an hour the other day on the part of the Minister of Agriculture on the subject of rust, in which, I must say, he displayed a good deal of personal insight into the question. Is the information he gave in that connection based on the researches of this body, or are the two bodies, the research council and the Department of Agriculture, carrying on separate investigations into the same subjects? We ought to bring all these investigations on each subject under one control so that there will be no waste of public money. It would be better, for instance, for the research council not to touch a question at all if another department is spending a considerable sum of money on the same line of research. That query is applicable not only to such matters as have been referred to, but also, for instance, to the fisheries. For example there is the sturgeon fishery, and other fishery ressources—are these being investigated by the officers of the Fisheries branch as well as by the industrial research council?

Mr. LOW: I am unable to speak authoritatively as to that, but I do know that each department co-operates to the very fullest extent with the research council. Whether in the particular instance my hon. friend refers to the investigation has been conducted separately by the research council, or jointly by the council and the department, I am unable to say. I understand that a very complete report on all these items has been placed in the hands of my hon. friend, and I have no doubt he has read it.

Mr. STEVENS: I rather regret the minister's suggestion that my questions to him are influenced by a desire to indulge in captious criticism.

Mr. LOW: Not at all.

Mr. STEVENS: I am not influenced by any such desire. I am deeply and honestly interested in the subject; I desire to support it and I want to see the vote passed. I should like to see this work enlarged, but I think it is due to parliament that we should have a very complete outline of what is being accomplished. I also think it is due to the industrial research council to have that done. As I have already stated I do not think their work is half appreciated by parliament owing to a lack of complete information as to what they are doing.

Mr. STEWART (Argenteuil): As one who, like my hon. friend (Mr. Stevens) is deeply interested in research work and who has had some opportunity to see the advantages obtained by the co-ordination of effort along this line I think I can assure my hon. friend that the desired co-ordination is going on just as rapidly as possible. I do not think the Department of Agriculture, and the officers

of that department, should be robbed of any credit due to them with respect to their investigations into tuberculosis; but as my hon. friend will admit a solution of the evil of tuberculosis is, perhaps some distance away yet. The bringing together of the activities of the research council and of the officers of the Department of Agriculture and the Mines branch is with the idea of effecting co-ordination; and at the moment I can assure my hon. friend the work is going on in a co-ordinated way. My hon. friend will also admit that our universities should be given a great deal of credit for what has been accomplished in the past. They have inaugurated research work in a great many directions but in each case the investigators worked along particular lines, and possibly there may have been some overlapping in Toronto as compared with the work carried on in the universities of Alberta, or British Columbia. The effort of the research council is to interest scientifically trained men from one end of the Dominion to the other in these investigations, and they are succeeding in that object. Not only that but, they are also bringing about co-ordinated effort in those departments of the federal government where work of a scientific character is in progress also. This is a matter in which I have been chiefly interested myself, and I agree with my hon friend (Mr. Stevens) as to the necessity for co-ordinated effort along such lines. With respect to the results so far achieved one needs only to mention the discovery of marquis wheat which has been so frequently referred to in this House. No one can over-estimate the importance to Canada of the introduction of this particular variety of wheat. Nor can one over-estimate the value—whether we consider human beings or the animal kingdom merely,—of the discovery of a cure for tuberculosis. It is only by continued experimentation, and by thoroughly exploring every avenue which offers a possibility of success, that such a desirable end can be accomplished. Of course there are difficulties in the way of securing co-ordination on the part of all those interested. Nevertheless we are succeeding, and we hope to accomplish even greater results in this direction. The Mellon institute in the United States is an admirable illustration of what can be accomplished for example, by private enterprise. It seems to me that so far as the government of Canada is concerned no opportunity should be left to encourage the work of scientific and industrial research of, and through the money voted annually by parliament provide such facilities as will enlist the co-operation of the best scientific minds available. I agree with the hon. member for Vancouver Centre (Mr. Stevens) that we know far too little about, and that we appreciate insufficiently, the tremendous value to humanity and to industry likely to result from work of this character when properly carried on.

Mr. NEILL: While this vote appears not to be reduced, in reality it is, inasmuch as I understand it is the intention of the government to have this appropriation furnish the money for the assistance previously given to the Standardization Association of Canada, as I think it is called. I understand that the vote under that heading has now been withdrawn, and the association in future will either have to obtain funds under this particular vote or else will have to cease its activities altogether. Should this prove to be the case I think it is a matter very much to be regretted. When the House opened I placed a resolution on the order paper dealing with this question and although it is not likely to be reached now the subject it deals with is worthy of great attention. Perhaps I may be permitted to read the resolution in question as expressing briefly my views of the matter. It would almost look as if I had taken this step as a result of being prompted by the officials of that particular association because they found their vote had been cut off and consequently were appealing to members of parliament to give them some backing. I can assure the government, however, that I never heard of the association until I had placed my resolution on the order paper. I was prompted to do so by seeing the measures Australia is adopting in this regard. I have not got my notes on the subject here, but if I recall rightly they were spending a large sum of money—if I am not wrong in the neighbourhood of $50,000—on the improvement and development of this branch of work. They realize apparently that it is going to be a very great thing for the industrial life of every country, and especially of every country that takes it up quickly. They have gone ahead on that line also in the United States, and as my resolution suggests it resulted in the saving of millions of money to the United States government and that only in its capacity as a purchaser because it was enabled to buy so much cheaper by standardizing its requirements. If the committee will allow me I will just read my resolution through. It is as follows:

Whereas, standardization in engineering, manufacturing, and other allied activities is becoming increasingly necessary in order to stop the huge economic loss

now occurring, and the subject is now engaging the attention of all the leading nations of the world.

And whereas, those countries which are advanced in national industrial standardization will have established a great commercial ascendancy over those that are not so organized.

And whereas, the progress already made in this direction in the United States has resulted in the saving of millions annually to the United States government alone in its capacity as a purchaser.

And whereas, some of the advantages of standardization are:—

Makes mass production possible.

Stabilizes production and employment.

Eliminates indecision in production.

Stimulates research and development as to the best types, and encourages the adoption of the best standards.

Helps to eliminate practices which are merely the result of accident or tradition and which impede development.

Provides a truly competitive market in which to buy material and equipment, giving accurate definitions to enable the purchaser to know what he is buying and whether he is getting what he bargained for.

Makes it easier to repair and replace equipment.

Reduces the cost of manufacture.

Simplifies the keeping of cost accounts.

Increases the production and efficiency of industry.

Will go far to eliminate disputes and litigation as to whether the product is in accord wtih the sample.

Or, otherwise expressed, standardization means to the producer increased production, better quality at reduced cost, and to the consumer a better article for less money.

Therefore, this House is of the opinion that the government should be asked to investigate and encourage the development of standardization in Canada.

I was not aware at that time that we had any association handling it, and I would earnestly urge the minister to consider the possibility of giving, in the supplementary estimates this session, sufficient money to carry on these activities. At present they have only a small grant. I think it is a retrograde step to do away with their investigations, and if you place the expense upon this vote now under consideration, it just means that some other necessary investigation has to go without sufficient funds. I submit the Minister of Trade and Commerce might well consider whether he could not see his way to give assistance to this very necessary work.

Mr. LOW: It is true as my hon. friend says that the vote for $10,000 included in last year's estimates has been dropped this year. This work will be carried on by the research council, and I will be very glad to take into consideration the recommendation of the hon. member that possibly an amount might be placed in the supplementary estimates.

Mr. HOEY: What amount was voted for standardization last year?

Mr. LOW: The amount voted was $10,000.

[Mr. Neill.]

Mr. MANION: I should like to offer my endorsation, for what it is worth, of the expenditure of money on scientific and industrial research in this country. It is one of the subjects we should all be interested in, because every industrial country in the world to-day is going into it to a greater degree than we are. Before the war Germany made many of her advances because of the high type of research in which she took part. There are in the northern section of Ontario two subjects upon which research will undoubtedly bring a great deal of value. I do not know that they are subjects—one of them at least is not—which the government should deal with; but at any rate any subject which would mean wealth to the country might be well considered by the government or by its staff of officers. The first subject I was thinking of—and I believe that a certain amount of work is now being done with regard to it in the Mines branch—is in regard to discovering some method by which the types of iron ore in Canada can be used economically. I know there has been a certain amount of work done in this matter, and if Canada could develop some method by which the magnetite ores in Canada—which are not of such a high grade as in the United States—could be developed, then Canada would have the greatest iron resources of any country in the world, because we have scattered all over the country hundreds of millions of tons of ore. So far, outside of the Helen mines, there have not been discoveries made of the hematite and the other types of ore which are most useful, but if we can discover some method, either by electric smelting—and we have great electrical possibilities in the northern country—or some other means of utilizing these magnetites in some portions of Canada, it would be of great value to the country. There is another subject—and this is the one which perhaps the government might say it was not their duty to deal with—and that is the question of pulp and paper. I remember on one occasion, speaking to Professor Macallum, who was chairman of the Industrial Research Commission, and he informed me—and the statement was concurred in by prominent men in the pulp and paper industry—that at the present time in that industry there are very valuable products which have been allowed to go to waste out of which great value will ultimately be taken. I do not know if I could go into an analysis of the subject, but he made the statement to me before a prominent pulp and paper man. who admitted it was correct, that that industry was merely in its infancy. I believe

those subjects are of such importance—and there are many others in Canada perhaps of like importance—that they might well be made the subject for research by the Dominion, even if ultimately the profits which came from those investigations go into the hands of private individuals; at least it would mean the development of the Dominion of Canada. I wish to endorse all that can be said in favour of this development in Canada at the present time, so long as the government sees its way clear to spend money to carry on this work. Could the minister tell me how much money was spent last year in scholarships to students?

Mr. LOW: The amount was $37,548.

Mr. MANION: And how much of the whole item was spent? Was the whole $120,000 spent?

Mr. LOW: Yes, practically the whole amount. With reference to the investigation being carried on in connection with the low grade iron ores, I might read a paragraph from the report. The report says:

Utilization of Canadian low grade iron ores.

A very great part of the iron ore smelted in Canada is imported amounting in some years since 1915 to as much as 96 per cent. The utilization of the vast deposits of Canadian ores under suitable treatment would help in reducing the adverse balance of trade and would establish a valuable industry.

The National Research Council has investigated this problem through its associate committee on mining and metallurgy and has issued a report on the findings of the committee. The facts established by the committee bring the utilization of Canadian ores within immediate sight of realization.

Mr. MANION: I am very pleased indeed to hear the report as read by the minister, because it would be of very great value to this Dominion if the provisions of the report were carried out.

Mr. LADNER: My hon. friend has referred to the mines. I do not know whether the research work in connection with forestry comes in any way under this item. The forest pathology work of the government here has been carried on for some time, but in British Columbia, where we have such extensive resources in forestry, there is quite a sentiment among the people that more research work should be carried out. The destruction of the forest by diseases, and the study of the causes and effects of diseases of trees, I think are about as important to the people of Canada, as the preserving of the natural wealth of the country and other natural resources, and I should like to ask the minister whether or not this vote applies in any respect to the encouragement of the study of the diseases of trees and the causes and effects of these diseases.

Mr. STEWART (Argenteuil): May I answer my hon. friend, because this happens to come in my department? We are endeavouring to co-ordinate scientific research work under the auspices of the council of scientific research in Montreal at the moment. As my hon. friend knows, at McGill we have established a laboratory in which the chemists of the department have been working. In answer to the hon. member for Rainy River, I will say that this work has been proceeding for years. We have a special laboratory dealing with the pulp and paper problem, and the work is being co-ordinated with the work of the scientific research council. What we have been endeavouring to do there is to utilize the jackpine, for example, which carries a large percentage of pitch, by working out the problem of elimination of the pitch and making the product useful for the manufacture of pulp and paper. So much has this appealed to the pulp and paper manufacturers that they are voting us this year $20,000 to assist us in this work. We are co-operating with the pulp and paper industry throughout Canada in this way.

As regards the diseases of trees, work of this character has been carried on in the eastern provinces. But again we have it in the different departments. In the Department of Agriculture the Entomological branch is carrying on work on that particular problem. Our own foresters are working on the question of the age of forests. What I tried to impress upon the committee was that the endeavour was to co-ordinate the efforts being made in regard to all these different problems because, as a layman, it seems to me, if we are going to get results, the thing to do is to bring the scientific men in council together to discuss these problems. The chemist may be dealing with the problem of iron, and he may supply the missing link that the man working on forestry has missed, because he is a scientifically trained man. That is why it is important to get the work co-ordinated by bringing the men together to discuss these problems. In that way we are going to receive value for the money invested and reap the greatest advantage.

Mr. LADNER: Have the officials of the Department of Agriculture—and I know some of them who are highly competent men, forest pathologists, engaged in forestry work—come into contact with the research body which is referred to in this vote, because I think it is highly important that they should.

In fact, I would urge upon the government, in view of the tremendous resources of timber in this country, the need of extending that kind of work. From inquiries I have been able to make and records of public accounts and estimates, I do not think enough research work is being carried on in forest pathology, because now that American capital is coming into Canada and acquiring our forests and the general development of that industry is under way in a very decided manner in British Columbia, the interests of the country would be furthered if more of that kind of work were carried on and if, as the minister has said, the different departments engaged in research work were coordinated so that their efforts would be unified.

Mr. STEWART (Argenteuil): That is the point. But I do not want my hon. friend to go away with the misapprehension that the Department of Agriculture were studying any other problem than that of the destruction of the forests by what is known as the spruce bud worm and other insect life. The other problem, that of diseases attacking trees, is being undertaken in the Forestry branch itself, but it so happened that the entomological work was being carried on by the Department of Agriculture.

Mr. MacLAREN: Will the minister give the details of the vote of $120,000? I think that will give us a better idea of the work it is proposed to accomplish.

Mr. LOW: The figures are as follows:

Expenditure, April 1, 1924 to January 31, 1925

1. Fellowships		$ 4,620 00	
2. Studentships		6,700 00	
3. Bursaries		12,866 66	
4. Assisted researches		10,555 00	
5. Fees, etc		299 55	
6. Administration:			
Committees	$ 696 96		
Travelling, members of council	3,389 05		
Travelling staff and advisory committees	1,986 48		
Library	1,137 90		
Printing	374 26		
Office supplies	1,086 67		
Salaries of staff	14,434 33	23,105 65	
			$58,146 86

Fixed charges and estimated expenditure, February 1, 1925 to March 31, 1925

1. Fellowships		$ 1,440 00	
2. Studentships		4,800 00	
3. Bursaries		9,000 00	
4. Assisted researches:			
Grants authorized but unpaid		3,500 00	
Applications under consideration, and to be considered		36,450 00	
5. Administration:			
Committees	$ 250 00		
Travelling, members of council	1,000 00		
Travelling, staff and advisory committees	1,000 00		
Library	500 00		
Printing	500 00		
Office expenses	400 00		
Salaries of staff	3,000 00	$6,650 00	
			$61,840 00
			$119,986 86

Mr. STEVENS: There is just one item that will come out of last year's vote, and that is applications under consideration, $36,450. If these have not been paid, under the law as I understand it, they lapse at the end of March and payment will have to come out of this year's vote.

Mr. LOW: I have no doubt that some of this has been paid out since this statement was prepared, but I do not know just what amount. The statement was compiled as quoted and was made up three months ago.

Mr. STEVENS: If it is not paid within a week or two after the end of the year, the vote lapses.

Mr. LOW: I quite understand that.

Mr. LADNER: In reference to the fellowships, studentships, and bursaries, are these provided for in Canadian universities, and

what do they refer to? For example, in the University of British Columbia, would fellowships and scholarships be provided? Have they been provided?

Mr. LOW: I think we have a list. I am sending for it.

Mr. EVANS: I should once again urge on the government the importance of carrying on investigations regarding the standardization of parts. Particularly is this of importance to those engaged in primary production whether it is in agriculture or other vocations. Perhaps one of the greatest object lessons to us today is the Ford car, repairs for which can be had in practically all parts of the world, and we know they are all the same and fit. Millions could really be saved every year in this country by the standardization of parts of implements of production in agriculture. Some two years ago when I attended the meetings of this council, they could not report any more progress than that they had standardized in that line only some plough bolts. That is about the only thing we have on the farm that we are sure will fit all shares. There are hundreds of parts which could, with profit, be standardized if the different machinery companies would deem it to be in their interest to standardize them, such as mower knives, sections, binder knives, guards, keepers and all those things. It could be done without very much expense to any implement company and it would be a great step forward in economy in every direction if we had some system of standardizing all implement parts in Canada. I should not like to see the work curtailed by reducing the grant by $10,000, and if anything of the kind is contemplated I think it would be well for the government to consider spending money for this specific purpose.

Mr. SPEAKMAN: I want to associate myself with those who support such expenditures as this. I think it is manifest to most of us who have given any serious consideration to the subject that practically the greatest hope for future prosperity in this country lies in the development and utilization of our own natural resources, many of which now lie latent and are therefore of no immediate value. I might refer to two of outstanding importance, which I understand would come under the purview of the research council: these are the tar sands of Athabaska and the oil shale of northern Alberta. The possibility of utilizing these tar sands and of extricating the oil on a commercial scale presents almost a boundless view of what may be achieved in the future. Few people in this country realize the enormous extent of these resources. When we read the opinion of noted geologists, that the oil shale in that province contains the greatest exposure of petroleum known to the world at the present time; when we consider the gradual depletion of the present sources of oil; when we hear that many of the oil fields will in a few years be totally inadequate to meet the increasing consumption; and when we know it is estimated that these sands themselves contain sufficient oil to supply the world, at the present rate of consumption, for over 3,000 years, it will be realized what an enormous source of wealth we shall have there when we have discovered the secret of extraction at a sufficiently low cost to make it a commercial possibility. I believe that if this work were properly carried on and full attention were paid to these resources the result would be a production of wealth that would represent a return, not at the rate of a hundred per cent but of thousands per cent on the expenditure we are now proposing. I concur of course in the opinions that have been advanced along various lines of research, but in my own opinion the examination into this particular subject with a view to utilizing these latent resources affords the greatest scope for activity on the part of the research council and the greatest possible hope that this country will be finally put upon a prosperous and paying basis.

Mr. WARNER: I do not believe that the public generally know just how to get in touch with the research council. Is there any official of the department in Ottawa to whom one may refer any subject in which he is interested?

Mr. LOW: There is a staff in Ottawa to whom inquiries may be directed, but if the matter is of considerable importance it must be referred to the whole council.

Mr. WARNER: I have not tried to become familiar with the work of the council and for that reason it may seem ignorant on my part to have to ask these questions. But I do not believe that the public generally are any better off in this regard than I am. I have in mind a matter of some importance to my own part of the country. At Tofield during the last winter something happened in the lake that killed practically all the fish there; at any rate, millions of them have floated to the edge of the lake since the ice has gone. Would a matter of this kind come

within the scope of the council, or would the Department of Marine and Fisheries look into it?

Mr. LOW: I think the hon. member might refer a matter of that kind to the Department of Fisheries.

Mr. WARNER: No one seems to know what the trouble was and I have been trying to get some information as to how we might get the matter investigated. Probably the Fisheries department would deal with it. I am quite satisfied that there is a great work for the council to do, and I was pleased when I heard that there was such a body.

Sir HENRY DRAYTON: The minister said something that interested me very much when he referred to the report that was made to him by the council. The statement was made that, judging by another report, the irons of Ontario can be so treated as to be made of commercial value. I cannot remember the exact words that were used, but that was their effect. I remember that some years ago a proposition was made to the then government which, if I recollect rightly, was referred to the council for investigation. The idea was to treat by electricity the ores in the province and to reduce them to a sort of iron briquette. It was claimed that if ore were treated in that way and freed from impurities it would bring a better price than not only ordinary ore but pig-iron as well. I wonder if this report deals with that question and, if it does, whether there is any proposition before the government in that direction.

Mr. STEWART (Argenteuil): The investigation is not complete.

Sir HENRY DRAYTON: How far has it gone? This is a matter of greater importance than any other single thing I can think of. If something practical could be done in this matter it would render of considerable value a very large part of the province which is now looked upon as a barren connecting link between one part of the country and the other. I should very much like the minister to tell us what was in the other report, or perhaps he can refer us to it and we can look it up for ourselves.

Mr. STEWART (Argenteuil): I doubt if the report is published. I have not yet seen it, and I can assure my hon. friend that I have been watching for the result of the investigation with keen interest. I thought it was of so much more importance to press into the service all the technical minds to work on the problem than to encourage the industry by bounty or other means.

Sir HENRY DRAYTON: Quite right.

Mr. STEWART (Argenteuil): Let us first, if we can, discover a process by which our low grade iron ores can be transformed into pig which will make their mining a profitable undertaking. Therefore I have urged my officers, who are working in close harmony with the officers of the Honorary Advisory Council for Scientific and Industrial Research, to devote their energies to a solution of this problem. But to say that it is completed or nearing completion would be perhaps venturing into the realm of prophecy.

Sir HENRY DRAYTON: I understood the minister to say that.

Mr. STEWART (Argenteuil): Yes; but I have reports so frequently that only one more process is required to do the trick that I am inclined to wait until that final process is discovered. But I feel confident that by the electric process the difficulty will be solved, and that it will be possible to transform our low grade iron ores into the desired product.

Mr. STEVENS: If there is no objection to the publication of this report, I think it should be published as one of the government publications. I am sure it would be very interesting to the mining industry of Canada. Of course, I am not asking that it be published if there is sound reason for not doing so.

Mr. STEWART (Argenteuil): There can be no reason why it should not be published. I think I said, when the mining estimates were up, that on this problem we have been consulting the American mining institutes, the United States Department of Mines and outside resources, including Germany, wherever they were working on problems of this character. So there is no desire for secrecy; rather the desire is to throw as much light as possible upon the solution of the problem of transforming these low grade iron ores into a commercial product.

Sir HENRY DRAYTON: I would point out to the Minister of the Interior (Mr. Stewart) in connection with this idea that electricity is the one thing which is absolutely essential, and I think that so far all the scientists are agreed that high potential electricity is probably the only way in which we can at all economically rid our ores of their impurities and give them the necessary beneficiation. I would also point out to him that if we ever do make anything with these low grade ores—and I cannot for one minute

think that we will not—he will find that instead of exporting our electricity he will be at his wits' end to get enough of it; and that he will also find in this connection that electricity which is available at the other side of the divide, or waters draining into the Hudson bay and the Arctic ocean—which is all very carefully set out in the survey of electrical power available in this country—will be absolutely useless for the purpose, being too far away, and that there is a commercial circle outside of which electricity cannot be handled.

Mr. STEWART (Argenteuil): It is always widening, however.

Sir HENRY DRAYTON: Yes. I remember when it started out at eighty miles with a potentiality of 30,000 volts; it is now two hundred and fifty miles with a potentiality of 110,000 volts. It may be we will arrive at a higher potentiality and transmit electricity further, but there is an end to it all, and the location of water power convenient to the mine is the one all-important thing for us to remember. We still have a few water-powers available in northern Ontario. But it is only necessary for me to draw this to the minister's attention, that for work of this kind you have to have a large quantity of power, that the available water-powers of this country shown in the resultant totals of water-powers available in Canada cover all water-powers of 50 horsepower and up, and that nothing but a large development is really of any use at all in connection with electric smelting. And the minister will also agree with me that we have very few large possible developments left within reasonable distance.

Mr. LADNER: Mr. Chairman, the minister has been good enough to send over to me details of the fellowships, studentships and bursaries which are awarded under this item. I find there are four fellowships, one for $1,500 and three for $1,200; twelve studentships of $1,000 each and thirty bursaries of $750 each. In addition there is provision for assisted researches. Seventeen of these grants are awarded to McGill University, fifteen to the University of Toronto three to the University of Manitoba, three to the University of Montreal and the Ecole de Montreal, one to Macdonald College, two to Queen's University, one to the University of Saskatchewan, one to the University of Alberta, and one to the University of British Columbia. The grant to the University of British Columbia refers to mines. I find that assisted researches are given for the study of the diet of foxes in captivity, the life and habits of the horsefly, in western Canada, the life and habits of onion maggots, and radio. Now, my purpose in referring to these in detail and segregating them is to suggest to the minister that, so far as western Canada is concerned, where the potentiality of natural resources is great and the need of research is about as acute as in any portion of the Dominion, perhaps the Honorary Advisory Council might consider the wisdom of granting fellowships or studentships with greater liberality than they have done heretofore to the universities of the west for the study of those things which are indigenous to that country. For instance, in British Columbia we have mining, lumbering and fishing industries, and even agriculture is carried on on a considerable scale. It seems to me it would be only fair to have research work carried on in these western universities as well as in the universities of McGill and Toronto, because I know from personal connection with the University of British Columbia that the men at the head of the various departments of research are of a calibre and possess facilities that would enable them to handle this kind of work most efficiently. In fact the government has already a Forestry branch there which has some relationship with the university. Has the minister any control over these awards, and if not is he disposed to suggest to the council that the distribution of fellowships should be on a more equitable basis? I know that McGill and Toronto universities have a very high standing; I happen myself to be a graduate of the University of Toronto. But when they take thirty-two of these awards out of forty-six, and when western Canada has only five out of the total, it would seem that the distribution could be more equitably arranged without in any way interfering with the scientific purposes for which such awards are given.

Mr. LOW: The grantees are allowed to select the university in which the post graduate work shall be carried on.

Mr. LADNER: Is it entirely in their hands?

Mr. LOW: Yes.

Mr. LADNER: If a grantee decided that he wanted to study in South America, would he be entitled to do so?

Mr. LOW: Preferably a Canadian university, but wherever it was possible to carry on his research.

Mr. LADNER: Some of them go to English universities. I notice one fellowship in the Department of Physical Chemistry at the University of Cambridge, England.

Mr. LOW: I understand that 15 out of 103 have selected foreign countries, but the selection of the university rests with the grantee.

Mr. MacLAREN: The point brought up by the hon. member (Mr. Ladner) is worthy of consideration, namely, an extension of the distribution of these scholarships and studentships in the general interest of scientific research itself and with a view to creating a wider field of interest. I notice that one bursary or scholarship was given to British Columbia. It would appear from the list that a fortiori there is an even more striking want of recognition in the east, because no name was read from the east at all. I do not mean that the research council are not considering various portions of the Dominion, because they are: I had an incident under my own observation in connection with the carrying out of investigations as to the growth of trees on burnt lands by methods of seeding. But there is a great deal in stimulating scientific work among our younger men in all portions of the country, and there would be more fairness and equality in a more general distribution of these studentships, bursaries and scholarships.

Sir HENRY DRAYTON: From an examination, during the brief time it has been in my hands, of the report the minister so kindly sent over to me, it is apparent that the question of the utilization of ores has been solved. Take, for instance, the first conclusion of the committee. It reads:

> The building up of an iron mining industry in Canada in the near future can be accomplished at a reasonable cost.
>
> There are large deposits of iron ore in Canada which under present conditions are lying idle because the ore cannot be profitably marketed, but which can be utilized to supply central Canada with iron ore if deemed advisable.
>
> The desirability of establishing an iron mining industry in Canada should be impressed upon the government.
>
> The most promising method of utilizing Canadian ores is to prepare them by beneficiation, if not naturally suited, for treatment in blast furnaces by the present blast furnace process.
>
> Special processes, including electric smelting, which have been devised to treat iron ores, are not under present conditions likely to be a big factor in building up the industry in Canada.
>
> During recent years good progress has been made in methods of beneficiating iron ores, prior to reduction by the blast furnace process, and these methods are applicable to Canadian ores.

I have had a chance only of glancing at this report, and my hon. friend will correct me if I am wrong, but it would appear that this ore can be commercially turned to immediate account, and that in order to get it turned to immediate account steps have to be taken by the government. Take, for example, recommendation 12:

> A bounty of fifty or seventy cents per ton of merchantable ore or concentrate would encourage operators to proceed with attempts to utilize Canadian iron ore. This bounty would be insufficient to warrant expectation of immediate profits from operation of the known deposits, but would perhaps be sufficient to warrant the operation of some mines now idle and the installation of plants for sintering the ores, and the carrying on of further large scale investigation which must be at least partly paid for from proceeds of the sale of iron ore and concentrates.

The great desirability of this being done in the interests of our railways is also pointed out, also the earnings we would make out of it. Then, of course, there would be a saving on account of our not having to buy so much ore, as we now do, from the United States. I observe that we have a direct recommendation in that respect. In the preface the committee say:

> The committee believes that if a small bounty of say fifty cents a ton was paid on the beneficiated Canadian ore, or any natural ore of equal grade and quality which might be discovered in Canada, for a period of about ten years, this would go far to even up the price difference—

That is, the price difference between this ore and the cheap American ore.

> —and would stimulate the miners of Canada to increase their efforts to cut down costs and deliver to the Canadian furnaces an ore which would replace the imported ore and thus not only save for Canada the $5,000,000 annually sent out of the country to pay for imported iron ore but also greatly increase the income of the Canadian railways through the transportation charges on the great tonnage of ore which would be handled.

So apparently in respect to this particular matter the work of the scientists is finished They say that this can be done if the government will take the necessary action. I understand that the government of Ontario are prepared to look after their share of it. What action has this government taken in regard to these recommendations?

Mr. STEWART (Argenteuil): I have not seen the report myself, but it quite coincides with my understanding of the matter. A year ago the Ontario government voted, I think, twenty-five cents a ton—I speak subject to correction—for the purpose, and this year—I speak again subject to correction—they have doubled the amount, which would correspond with what is contained in the report as to the amount to be offered as a bounty. Ontario is especially interested in this problem. But I assure my hon. friend that the electrical process that he and I were discussing a few moments ago has not yet reached the stage of finality. I am hopeful, however, that in due course it will not be necessary to provide

any bounty in order that the transformation of low grade ores into iron may be made profitable. It is to that end that we are bending all our energies.

Sir HENRY DRAYTON: What is the date of this report?

Mr. STEWART (Argenteuil): I do not know.

Sir HENRY DRAYTON: It is recently published?

Mr. STEWART (Argenteuil): Just out, I imagine.

Mr. LOW: For the benefit of the hon. member (Mr. MacLaren), I would like to cite one instance of the work being done by the research council. I quote from a memorandum I have before me:

It has been estimated that the lobster packing industry was suffering a loss of $700,000 a year not only through spoilage in the cans but also because of the fact that no methods have been devised which would make it possible to can lobsters so that they would keep their colour, flavour and texture for a year or eighteen months, the period required to market them. Through an investigation undertaken for the National Research Council by Dr. F. C. Harrison of Macdonald college, the council has succeeded not only in discovering the cause of the discoloration, smut, or blackening of the lobster in the cans, but has also been able to issue instructions to the lobster packers, which, if carefully followed will solve the problem.

Mr. MacLAREN: I think that work was done in connection with the biological station in St. Andrews. I mentioned certain instances of what they are doing, and no doubt there are many others. My point, however, is that these scholarships and student prizes might well be distributed over a much wider area than they are at present.

Mr. LOW: I have already informed the hon. member that the grantee names the university to which the scholarship shall go.

The CHAIRMAN: Shall the item carry?

Sir HENRY DRAYTON: No, Mr. Chairman, I want an opportunity to read the report on this matter.

Item agreed to.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

International Customs Tariffs Bureau, $660.

Mr. GARLAND (Bow River): Will the minister tell us something about this item? There is quite a reduction this year. What is the nature of the work carried on by the tariff bureau, and why is there a falling off?

Mr. LOW: It is a permanent organization located in Brussels, which translates all the tariffs of the world. The reduction, as will be noticed by the vote, is considerable. This vote is $1,140 less than last year, owing to the decrease in the cost of management of the bureau. This is the amount which was provided for this service before the war.

Owing to the marked increase in the expenses connected with the bureau, a few years ago Canada as well as other countries was requested to increase its normal allowance by four times the pre-war rate, in order that the work of the bureau might be performed with full accuracy and speed, and that full satisfaction might be given to the various states comprised in the agreement. Canada increased her contribution as requested.

Last year our estimates were reduced to three times the pre-war rate, but after they were prepared we were advised by the Under Secretary of State for External Affairs that the regular contribution of Canada for the thirty-fourth period, April 1, 1924 to March 31, 1925, was exactly 3,106 gold francs, which worked out to the amount stated.

Mr. GARLAND (Bow River): Was the total amount voted spent last year?

Mr. LOW: Last year $659.29 was spent.

Mr. GARLAND (Bow River): Did the minister say that the function of this international customs bureau was merely the translation of the customs tariffs of the various countries? Do I understand the minister to mean the translation from the language and terms of the other country into the language and terms, shall we say, of the bureau of Canada?

Mr. LOW: My hon. friend is right in his understanding.

Mr. GARLAND (Bow River): How many countries are engaged in that?

Mr. LOW: Thirty-nine different countries.

Mr. GARLAND (Bow River): Are any important countries not members of the bureau? For example, is Russia a member of the bureau?

Mr. LOW: I am unable at the moment to say whether Russia is included. All the important countries of the world are in it.

Mr. GARLAND (Bow River): Germany?

Mr. LOW: Yes, Germany.

Mr. GARLAND (Bow River): The minister does not know whether Russia is included or not?

Mr. LOW: No, I am unable to say.

Item agreed to.

Motion Picture Bureau (salaries of temporary employees; travelling expenses of officials; photographic supplies and chemicals: printing and stationery; repairs to instruments; sundry expenses), $25,000.

Mr. STEVENS: Will the minister give us some indication of the usefulness or otherwise of the work being carried on by this bureau? I am not quite certain in my own mind that it is worth the vote. It may be. I am not in a position to criticize it too strongly. At the same time I think we ought to scrutinize this vote with some care, with a view to ascertaining whether or not we are actually getting value for the work that is alleged to be performed.

Mr. LOW: The motion picture bureau under the Department of Trade and Commerce was established for the purpose of advertising abroad Canada's scenic attractions, agricultural resources and industrial developments. It performs work for all the departments of the government. Some revenue is derived from the project. It is not altogether self-sustaining yet, but splendid success has attended the efforts of the bureau in recent years, in the production of a series of one-reel film subjects which are now widely known as the "Seeing Canada" series. These "Seeing Canada" one-reel films have been circulated throughout the world. So successful has been the work carried on by the bureau that the Ontario government has adopted the policy of the Dominion government by opening up its own motion picture bureau in Trenton, Ontario.

The motion picture film as a medium of advertising, with special reference to the encouragement of tourist traffic has proved an invaluable aid in the work of spreading abroad a knowledge of Canada's attractions and opportunities. The National Railways recognized the power of the film for this type of advertising and the Canadian government motion picture bureau, as in former years, has co-operated closely with this transportation company in this respect.

The bureau has continued to co-operate closely with all federal departments requiring its services. The following list enumerates the various departments of the Canadian government which have availed themselves of this service:

Canadian National Railways.
Department of Immigration and Colonization.
House of Commons.
Department of Agriculture.
Department of Insurance.
Department of National Defence.
Post Office Department.
Department of Railways and Canals.
Department of Trade and Commerce.
Department of Marine and Fisheries.
Department of Mines.
Department of Public Printing and Stationery.
Department of the Interior.
Soldiers Settlement Board.

Thus the work has been accomplished at a great saving to the various federal departments. The work has also been produced in an efficient and satisfactory manner, to judge from the many commendatory letters on file, and the many repeat orders which we have received.

Mr. STEVENS: Will the minister give the distribution of the item under the various departments?

Mr. LOW: Film production activities. The following new "Seeing Canada" one reel film subjects have been produced since the commencement of the present fiscal year:

The Romance of the Rockies.
Where Beauty Dwells.
City of the Foothill.
Canada's Farthest North City.
Amid Alpine Snows.

Owing to the general slump in the short subject market in the United States, the bureau has not been able to invade this territory on as broad a basis as was anticipated. A contract was made some time ago with Bray Productions, Incorporated, but this organization has had rather difficult times lately. However, in a letter addressed to the director of the bureau, a few days ago, they state that they are again in the market to consider our product for theatrical distribution. There are thirty or forty companies in the United States to whom our films are sold, and we receive a great deal of advertising in that way.

Mr. STEVENS: What is the revenue? Would the minister respond to my previous request for the distribution of this item?

Mr. LOW: The revenue for the past five years is as follows:

1920-21	$11,917 06
1921-22	15,773 29
1922-23	16,141 10
1923-24	17,090 98
1924-25 to January 31	21,159 25

That shows a very marked increase each year, particularly last year.

Mr. MEIGHEN: When was this policy, which the Ontario government has adopted, first initiated in Canada?

Mr. LOW: I think within the last year or two.

Mr. MEIGHEN: I mean by the federal government?

Mr. LOW: In 1914. I understood my right hon. friend to ask about the Ontario government.

Mr. MEIGHEN: This government has adopted it as well as the provincial government?

Mr. LOW: Yes, the Ontario government inaugurated it within the last year or two.

Mr. WOODSWORTH: At the request of the city electrician of Winnipeg, I took up with the department the question of the supply of a film that was not safe to be used in the various places where it was shown in that city. I think the particular film objected to at the time was explained, but the city electrician still complained that very dangerous films were being shown by this department. The minister was good enough to show me a copy of a lengthy file of correspondence, but so far as I could see, the object of the city electrician was not fully met. He wrote them with regard to this as follows:

Under date of February 9, 1922, I addressed Mr. T. Grove Smith in reference to a number of nitro-cellulose films that were being shown in the churches in this city by a representative of the Dominion government Forestry department. This gentleman gave me to understand that when he got back to Ottawa he would endeavour to get these pictures printed on slow-burning film as he admitted that he had had a succession of objections made to the use of the films at different points throughout Canada, in fact, he was barred from using these in Toronto. Subsequently an official of the Dominion government Water Power branch came through the west with another series of films, these also being printed on nitro cellulose stock and he exhibited these at several points.

And so on.

You will gather from the above that there have been numerous cases where we have definitely pointed out that various officials of the Canadian government departments have been touring Canada with nitro-cellulose films and that your department has in various cases furnished this product; that the Canadian Pacific railway were in ignorance of their own regulations in carrying this dangerous product in sleeping cars and lending these films to all kinds of parties for use in churches, etc.; further we find that the Canadian National Railways are obtaining through the medium of a film exchange in Winnipeg full width nitro-cellulose film issued by your department and that we have been obliged to refuse permission to this company to show these films in Winnipeg, all of which goes to show that your department is, or has been, whether you realize it or not, instrumental in distributing one of the most dangerous products, from a safety to life point of view, that is known to-day.

There follow certain statements substantiating this contention. It would seem quite obvious that if any kind of film is being used that is dangerous to be exhibited under conditions in which it is frequently exhibited, this department ought to take such steps as are necessary to substitute the proper kind of film. I do not know whether this is being done or not. We ought to have some guarantee that such is the case.

Mr. LOW: I think I showed the hon. member a very full report from the director in charge of the bureau. We comply with the regulations of the different provinces so far as it is possible to do so. There is no duobt, as my hon. friend has said, that some of these films are inflammable, but as long as we meet the requirements of the provinces, we feel that we are within the law.

Mr. WOODSWORTH: This is a distinct statement that the requirements of the city of Winnipeg electrical department are not being complied with. That is why I am protesting. Although the minister was kind enough to show me this file of correspondence, I could not see that it met the objections of the city electrician.

Mr. GARLAND (Bow River): Probably a good deal of valuable advertising is passing through this bureau. I have indeed seen many of the magnificent scenes in the Muskoka lake district, Windermere district, Banff district and so on and I have appreciated them very much. When there was such confusion in this House some time ago over certain conditions in a particular area in this country, it might have been a good idea if the bureau had sent down some operators to take moving pictures of conditions in Cape Breton, shall we say? While one section was occupied at that business, another one could have been taking moving pictures with slowed up machines of this government going into action to improve the condition of affairs.

Item agreed to.

Printing of parliamentary and departmental publications, including cost of Canada Year Book, $90,000.

Mr. WARD: Is the Canada Year Book published in the Printing Bureau?

Mr. LOW: We turn the year book over to the King's Printer who arranges for its printing. Sometimes it has been given to outside printing firms but what was done in the last year or two I do not know.

Mr. STEVENS: Surely the minister can tell us who printed the Canada Year Book last year. I think his answer is rather thin. This is an important publication and if it is paid for out of this vote parliament is entitled to know where it is printed.

Mr. LOW: My deputy tells me that he turns it over to the King's Printer.

Mr. STEVENS: Does the minister mean to say that neither he nor his deputy can tell us who printed the book last year?

Mr. MEIGHEN: The head of the whole enterprise is sitting behind the minister. It is inconceivable that he could not inform the minister on a second's notice.

Mr. STEVENS: The minister does not expect parliament to allow this item to pass without any information at all. I do not think that is reasonable.

Mr. LOW: I shall be glad to give the information to-morrow if the hon. member will allow the item to pass.

Mr. STEVENS: Let it stand.

Mr. LOW: I have no objection.

Mr. LUCAS: How many copies are printed?

Mr. LOW: The estimate for this year is 9,500.

Mr. LUCAS: Is any revenue derived from it?

Mr. LOW: Some are sold but I cannot say offhand just what the revenue is.

Item stands.

Weights and measures inspection—	
Salaries of staff..	$196,970
Contingencies, including rent, travelling expenses of director, his staff at Ottawa, district inspectors and inspectors; postage, stationery..	102,630
International Bureau of Weights and Measures..	400
	$300,000

Mr. STEVENS: This is a very large item and no details are given in connection with it. I think we should have a complete statement from the minister as to what the whole item comprises. We have $196,000 for salaries of staff. That is a considerable sum and it is en bloc. I do not suppose there are any details in any other part of the estimates as regards this sum. If there are I want to find out; if not the minister might be good enough to explain the whole thing.

Mr. LOW: For the year 1923-24, the following were the expenses:

Salaries..	$192,243 28
Rent..	280 00
Travelling expenses..	90,246 11
Sundries..	10,946 55
	$293,715 94

The revenue for the same year amounted to $290,450.18. For the ten months ending January 31, 1925, the expenditures amounted to $255,456.03 and the revenue to $263,450.23. That will leave a surplus of $7,994.20, which I think is the first surplus in the history of this branch of the department.

Mr. STEVENS: There seems to be a drop in the revenue. Does the revenue keep pace with the degree of inspection?

Mr. LOW: There has been a gradual increase in the revenue.

Mr. STEVENS: But the revenue which the minister gave for the year before was some $290,000.

Mr. LOW: The revenue for the last year, as I have just quoted it, is for ten months only.

Sir HENRY DRAYTON: Where are these offices?

Mr. LOW: They are all over the country from the Atlantic to the Pacific, about 20 in all.

Mr. MEIGHEN: Is there a head office for each province?

Mr. LOW: No, these are district heads.

Mr. MEIGHEN: Is not some of this work also under the Customs department?

Mr. LOW: Not now.

Mr. MEIGHEN: Take the weights and measures office at Regina.

Mr. LOW: It used to be under Inland Revenue; they are all under the Department of Trade and Commerce now.

Mr. MEIGHEN: When did they come under that department?

Mr. LOW: In 1918, when the Inland Revenue department was abolished.

Mr. MEIGHEN: Were they never under Customs?

Mr. LOW: Other parts of the department went under Customs but this came under the Department of Trade and Commerce.

Mr. MEIGHEN: Is there not still a Weights and Measures branch of the Customs department?

Mr. LOW: No.

Mr. MEIGHEN: Will the minister say that there has not been since 1918?

Mr. LOW: My deputy informs me that the change was made in 1918.

Mr. MEIGHEN: Is there no scale inspection under the Customs department now?

Mr. LOW: No.

Mr. STEVENS: I read in the report of the grain commission which was submitted a few weeks ago that at a number of elevators in the prairies an extra notch had been filed on the beam into which the balances would fit, and that by this means those using the scales were enabled to defraud the persons taking wheat to these country elevators. I gathered from the report that officials of this department did make some investigation, and if I remember rightly two prosecutions were said to have been made. The offence was of such a vicious and, to my mind, unpardonable character that we should know whether or not these prosecutions were vigorously pursued in order to ascertain who were the responsible parties and to mete justice to them. I cannot conceive of a more heinous offence than a weighmaster actually filing a notch in the scales for the deliberate purpose of defrauding the farmer who was bringing his grain to the country elevator. It is worse than burglary, for a burglar does take some chance, but a wretch of this character is robbing more or less under cover. Can the minister tell us to what extent an effort was made to bring these offenders to justice?

Mr. LOW: My deputy informs me that we prosecute every case that comes before us.

Mr. STEVENS: Pardon me, Mr. Chairman. I really cannot think the minister is serious in giving an answer of that kind. I wish he would dismiss from his mind the idea that in bringing up this question we are simply trying to embarrass him.

Mr. LOW: I do not think so at all.

Mr. STEVENS: Everybody knows that the department is supposed to prosecute; but I am asking whether in this case of deliberately doctoring the scales to defraud the farmer of the correct weight of his grain any action was taken by the department. I give him the reminder that to the best of my recollection some twelve or fourteen cases are reported by the royal commission; there may have been others so far as I know. If my memory is correct, there were only two prosecutions up to the time the report was filed. I want to know what happened in those two cases, and why the others were not prosecuted.

Mr. LOW: Our inspectors visit the elevators periodically and inspect the scales, and when they find anything of the kind referred to they prosecute under instructions from the department. Unfortunately my deputy has not the list of prosecutions with him to-night, but it can be very easily furnished, and I shall be glad to supply the information to my hon. friend.

Mr. STEVENS: Does not the minister recall these very serious incidents?

Mr. LOW: No, it would be impossible for me to carry in my mind the names of the firms who were prosecuted; but there have been a number of cases.

Mr. STEVENS: But these are specific cases mentioned in the report of the royal commission. I want to impress upon the minister and upon the government the seriousness of these cases.

Mr. STEWART (Argenteuil): My hon. friend is referring to the report of the Royal Grain Commission?

Mr. STEVENS: Yes, to Mr. Justice Turgeon's report. I have not a copy of it under my hand, but as I recollect, he says that the attention of this branch of the Department of Trade and Commerce was called to the matter. What impresses me is that an offence of that kind would amply warrant the government making some special effort to prosecute. It is not like an inspector going into a country store and finding the scales a little out; that is not a parallel case at all. I know that this branch of the minister's department is, through its inspectors, daily inspecting scales that may not be true; but the case I am referring to was one of deliberate fraud, and I am surprised that the minister does not recall the cases mentioned in this royal commission's report. The matter should not be allowed to rest here. If the minister is not aware of it, or if his department has not prosecuted the offenders to the limit, then I think the government is open to censure, or at least these cases should be dealt with and an effort made to bring the criminals to justice.

Mr. LOW: The department is fully seized of the seriousness of any attempt to tamper with grain scales, and I am informed that in all such cases we have prosecuted to the limit.

Mr. STEVENS: I am telling the minister that this report of the royal commission distinctly states that only two cases were prosecuted.

Mr. LOW: I do not remember what is stated in the Royal Grain Commission's report.

Mr. STEVENS: There were some twelve or fourteen cases scattered among different companies. But this is such a serious offence that I am surprised to see the minister is so indifferent, and I want to impress upon him the fact that this is too serious a thing to let slide.

Mr. LOW: My hon. friend does not need to impress its seriousness upon me. I realize fully the heinous nature of such a crime, and I promise him that any of these cases brought to my attention have been and will be prosecuted to the limit. My deputy informs me that we have prosecuted every case to the limit.

Mr. MEIGHEN: Can the minister tell us how many cases were prosecuted last year, 1924?

Mr. LOW: I thought my deputy had that information with him, but he has not.

Mr. MEIGHEN: Surely he can give us an estimate? Has he not got that with him?

Mr. LOW: He tells me that he prosecuted every case that was brought to his attention last year. He thinks there were six or eight.

Mr. MEIGHEN: If there were only six or eight, surely he can recall whether the dozen mentioned in the report of the Royal Grain Commission included them.

Mr. LOW: My deputy informs me that he has nothing with him to-night respecting these prosecutions. I shall be very glad to send the information to my right hon. friend.

Mr. MEIGHEN: Can the minister suggest any subject on which his deputy has any information to-night? We have not been able to get anything yet.

Mr. GARLAND (Bow River): Mr. Chairman, I must rise to add my protest to that of the hon. members who have preceded me respecting this matter. When I read the report of the Royal Grain Commission I was struck by that very aspect of the case presented by Mr. Justice Turgeon. When I read that out of the large number of cases of defrauding farmers that were shown to have occurred, only two were reported as having been prosecuted, I wondered who was responsible and why a little more activity was not shown. I am just as anxious as the hon. member for Vancouver Centre (Mr. Stevens) to have some information from the minister with respect to this, and I hope that when he brings the list down he will let me have a copy of it.

Mr. LOW: I will.

[Mr. Low.]

Mr. GARLAND (Bow River): I should like to know what the department is doing, and how many check-ups of frauds of this character have been made during the past year. In connection with this item, can the minister inform me whether the same inspector goes around and examines the same sets of scales every year?

Mr. LOW: There are a number of inspectors for those districts.

Mr. GARLAND (Bow River): I know that. But is each inspector kept in the same district annually?

Mr. LOW: Yes.

Mr. GARLAND (Bow River): I think it might be just as well if that system were discontinued and the inspectors changed from district to district each year. I am not prepared to make any charges at this time, but I submit that, realizing the frailties of human nature, we can readily understand the danger that lies in leaving the same man on the same route every year. In view of the disclosures made in the Turgeon report, and of many other cases which no doubt the minister is aware of, I think he would be well advised to change his inspectors around from zone to zone every year so they would not always be in contact with the same men.

Mr. WOODSWORTH: Mr. Chairman, I should like to know whether the minister has considered the advisability of standardizing the ton weight. I am informed that in the coal mining industry it is customary for the operators to pay the miners on the basis of what is known as the long ton. On the other hand the operators sell the coal to the consumer on the basis of what is known as short ton weight. The one is the English ton; the other is the American ton. In Canada we ought to have either one or the other, and the same ton ought to apply to those who are producing the coal as to those who are consuming it. Has it been considered by the department whether we should have one standard for weighing coal and other such commodities?

Mr. LOW: It has not been considered by the department. I will make a note of it, though, and look into it.

Mr. GARLAND (Bow River): I suggest that the minister might go further than simply making a note of it and looking into it. He might seriously consider coming back to the House next session—if, indeed, he comes back—with a change in the regulations, if necessary with an amendment to existing legislation,

in order to prevent coal operators from defrauding either the public or the users of coal, or both. Let us have a standard ton weight. We have similar complaints with respect to the lumber business, but there are very plausible explanations for that; the condition is not quite the same. We buy two by four lumber and we get one and three-quarters by three and three-quarters, or something like that. However, that has been discussed already.

Mr. McBRIDE: The long ton is practically the standard weight in British Columbia. The miner mines the long ton, and the man who buys it gets a long ton, while the man who freights it from the mines figures on the basis of the long ton. There is always a certain amount of waste in the distribution of coal. It amounts to about 240 pounds to the ton, and when the merchant sells the coal he gets a very small price for what is practically dust.

Mr. WOODSWORTH: I bought coal frequently in British Columbia. I have not mined it. But I always received the short ton, to the best of my knowledge.

Mr. BRISTOL: I was present some years ago at an inspection of weighing methods in Fort William. It was disclosed on that occasion that it was quite possible by pressing a certain thing to weigh less, or pressing it a little later to weigh more. It was said that that practice prevailed particularly in Buffalo and that a difference could be made of 200 pounds to the ton without difficulty by several manipulations of that character. It seems to me that who the inspectors are and when they are going to inspect ought not to be particularly well known when an inspection is to take place.

Mr. CARROLL: In the vicinity of the coal mines coal is sold on the basis of the long ton, but when it is transported some distance it loses in weight. Probably the wholesaler buys it by the long ton, but it loses so much of its weight in transportation that he would be put out of business if he sold it by the long ton. The deterioration or loss in weight during transportation over long distances, with shipment and re-shipment, exposure to the air and so on, may perhaps account for the difference between the long and short ton so far as coal is concerned.

Mr. WOODSWORTH: I submit that that does not solve the matter at all. If a certain amount of waste has to be taken care of, there is that surely in connection with the handling of every kind of material, and it ought to be recognized. We have it in the handling of grain, in the handling of stock, and everything else. But we ought to know exactly how many pounds the ton stands for. It ought to stand for a certain fixed number of pounds, and it ought not to vary from place to place as it is doing at present.

Mr. CARROLL: Anyway, you get what you pay for, whether it be a long or a short ton.

Mr. WOODSWORTH: We may or may not. One of the most serious aspects of the whole question is that when computations are made we do not know whether we are dealing with the long ton or the short ton. Again and again we have heard that the miners get so much a ton for mining the coal and that the consumer has to pay so much a ton for the coal that he burns, and we do not know ordinarily that we are talking about two entirely different standards. We should know that we are talking about the same standard everywhere.

Mr. GARDINER: What do they do with the beams in grain elevators where they have been filed? Do they take them out or how do they dispose of them?

Mr. LOW: The scale is seized.

Mr. STEVENS: One of the chief difficulties in western Canada is a lack of confidence in various processes that take place in connection with the handling of the crop from the farm out to the ocean port. There is a feeling that the shipper is not receiving a square deal, that something is taken from him that is not warranted. I have already referred to the fixing of the scale by deliberate filing of a false notch and the use of that instead of the correct one in weighing into country elevators. In this report of the grain commission, which is rather voluminous—I cannot put my finger exactly on the citation—it is stated that twelve or fourteen country elevators had scales of that character. The Chairman calling the item passed a moment ago forced me to abandon my search for the reference, but I will read a paragraph of the report with regard to weighing:

> Elevators scales are now inspected officially, usually once a year. This inspection should be more frequent if possible, and the Board of Grain Commissioners should insist rigidly that all weights be taken on an even beam. We find the dissatisfaction from weighing very widespread and it is importatnt that all reasonable measures be taken to remove it.

I am aware that this does not refer directly to false beams, or doctored beams, or whatever you like to call them; it touches upon the

method of weighing, and it makes reference to inspection. It is not only necessary that we should guard against falsifying the scales, but it is in the interests of the producer and vendor of the grain that he should have a righteous weight, and that is not what he has been receiving. I think, perhaps, one of the main features of this report—particularly that section relating to country elevators—indicates that the farmer has lost substantially all through the years by not receiving the full weight of his grain. And now they ask in this report, as I have already indicated, that these inspections should be more frequent than once a year, and I think in this regard they are justified. For instance the rush season lasts for what period?—three months, four months, perhaps—and then the scales may be comparatively idle for a long period. Certainly there would be an opportunity to inspect the scales at the commencement of the season, because a scale might easily get out of order without any criminal intent and still the vendor of the grain be defrauded. If the scales are inspected in the early part of the season, and then some time during the busy season, there would be greater safeguards. I am sorry the minister cannot give us some idea of the degree to which these criminal offences have been followed up. I think the minister would be justified in taking extreme measures to apprehend those who were responsible. Let me point out to him what the difficulty is, and then I want to make a further suggestion. The difficulty, I think, is that out of twelve or fourteen companies one company had two scales that were out of order and the remainder were scattered amongst the other companies, the indication being that the offender was not a company but the individual who had charge of the elevator. I think, one is justified in accepting that on the face of it. The excuse is now raised that without any positive knowledge of the time the notch was filed they cannot locate the operator who was in charge of the elevator when the offence was committed, and naturally everybody now connected with the elevator denies all knowledge of the offence. I want to say to the minister that to my mind the offence is so serious it should not be allowed to rest there. No one now in charge of the elevator is going to admit the commission of this criminal offence. I think the minister would be justified in getting the ablest operators in the Royal Canadian Mounted Police to go to work on these cases and if possible run these criminals down. Because the offenders are at large somewhere, and if not doing this thing they are perpetrating some other type of fraud; any man who would deliberately file a scale would perpetrate any kind of fraud it is possible for him to accomplish. Therefore I think the matter should not be allowed to rest until the last offender has been run down and put behind the bars where he properly belongs. If the minister, or some minister on behalf of the government, would give us an assurance that that would be done I would have nothing further to say. My hon. friend from Lunenburg (Mr. Duff) suggests that an assurance be given. If he were minister he would do it to-morrow, I know his type. But I want the minister to realize that I am serious about this matter, and that a great many other people are serious about it. What we want is an assurance that these individuals shall be followed to the uttermost limit, and not allowed to rest until they are brought to justice.

Mr. LOW: I give my hon. friend that assurance at once.

Mr. BRISTOL: I should like to ask the minister whether there has been any evidence before the department as to the matter of surpluses of grain? For instance after weighing in and out at Port Arthur and Fort William it has been found on many occasions that as much as 50,000, perhaps 100,000 bushels have been left in the government elevator in days gone by. I wonder if that practice is going on still?

Mr. LOW: Of course from time to time all elevators have surpluses, more or less, at the end of the year when they weigh up. That is a well known fact.

Mr. BRISTOL: It is the practice then to give the farmers the worst of it when their grain goes into the elevator and to give the elevator the best of it when the grain comes out?

Mr. LOW: Those are the overages which are referred to in the report of the Royal Grain Commission. A case was decided a few days ago before the Supreme court in reference to that very same matter.

Mr. STANSELL: Is there any provision for inspecting the weight of coal in car load lots? My reason for asking the question is that I have received a number of complaints from coal dealers that it is practically impossible for them to get the full weight that they pay for when they buy the coal in car load lots, and they are unable to get any

adjustment because if they make any complaint they are not supplied with coal the next time they need it. Therefore in order to get regular supplies of coal they have to accept a continual shortage and either take the loss themselves or pass it on to the consumer. Is there any provision for the inspection of car load lots, and will the minister look into these complaints?

Mr. LOW: I may say that at the moment the Board of Railway Commissioners are now investigating complaints of shortages of coal in car load lots.

Mr. MEIGHEN: Will the minister say that he ever read that $200,000 report of Mr. Justice Turgeon and his associates?

Mr. LOW: I have read a large portion of it.

Mr. MEIGHEN: It seems to have passed out of the minister's mind very rapidly. What I cannot understand is this: Here is a report —the most expensive report this country was ever called upon to pay for—and one of its chief findings is these frauds in respect to grain elevators and it finds ten or a dozen. The minister says "We have prosecuted all brought to our attention," and then his deputy says "that all that were prosecuted were six," and he does not know who the six were. On the other hand the royal commission finds that of the twelve cases they discovered only two offenders were prosecuted. These statements do not agree. Which is right?

Mr. LOW: That may be in a period of two or three years.

Mr. MEIGHEN: Surely a report that cost that amount of money cannot be wrong.

Mr. LOW: Will my right hon. friend say that the twelve cases referred to were in the one year? My deputy informs me there were six or eight last year.

Mr. MEIGHEN: That has nothing to do with it. The revelation was last year. I presume the offences extend over many years but prosecutions take place at the time of the revelation. Now, where are the prosecutions following the revelation?

Mr. LOW: The department has been prosecuting every year.

Mr. MEIGHEN: Then the report is wrong.

Mr. LOW: I have not the paragraph in the Royal Grain Commission's report to which my right hon. friend refers before me.

Mr. MEIGHEN: The deputy will remember it. Surely some one in the department has a digest in his mind of this report. The hon. member for Vancouver Centre will be more detailed.

Mr. STEVENS: We must enlighten the minister a little I think in regard to this. If the Chairman will give me a moment I will locate that part of the report where the matter is dealt with; the report covers quite a large field. I do not want to read too much; I think I have the matter here:

9 p.m.

In the case in question a former agent of one of the companies—

I am reading from the Royal Grain Commission's report, page 26—

—told us that in the year 1921 he tampered with his elevator scales—

This individual said himself he tampered with these elevator scales—

—by filing a notch in the shoulder of the beam behind the zero mark in such a manner that the poise could be pushed back of this zero mark—

Mr. LOW: What year was this?

Mr. STEVENS: This is in 1921. Certainly 1921 is not this year; but let the minister dismiss from his mind whether it was this year, last year or the year before.

Mr. LOW: What I want to know is whether the offences cover one year, two years or three years?

Mr. STEVENS: If the minister will follow the matter through he will get the whole story. Simply to say that because it was in 1921 it is a long time ago—

Mr. LOW: That is not the point at all. I would like to know in what years the twelve offences referred to in the report were committed?

Mr. STEVENS: I am going to read this again:

In the case in question a former agent of one of the companies told us that in the year 1921 he tampered with his elevator scales by filing a notch in the shoulder of the beam behind the zero mark in such a manner that the poise could be pushed back to this zero mark and thus cause the scales to register false weight, and that he used the scales falsely adjusted in this manner during part of the season. He alleged that he performed this manipulation on the instructions of the travelling superintendent of the company. This superintendent gave evidence denying the allegation in so far as he was concerned and disclaiming all knowledge of the illegal filing. It also appeared that this superintendent had dismissed this agent from the company's services on the grounds of incompetence and carelessness. Giving due weight to all the evidence adduced in this case, and which it is unnecessary for our purposes to review here, we cannot hold the superintendent guilty personally of the charge made against him but

the scales were in fact found to have been tampered with in the manner described by the agent. The company has since removed this damaged scale beam and put in a new one. Under the rulings which have been given so far on this question the mere having for use in one's possession of scales in this condition, even without knowledge, is an offence under the provisions of the Weights and Measures Act rendering the defective beam liable to seizure and the owner to the penalty of a fine. This means that it is the duty of those who deal with the public in the buying and selling of merchandise to make sure that they have not in their possession and use scales which have been falsified.

In other words, it throws the onus upon the person who owns the scales.

We reported this case to the Department of Trade and Commerce recommending that it be followed up and that steps be taken by inspection to ascertain to what extent, if at all, the practice of tampering with elevator scales is being carried on.

I pause there to suggest to the minister now that the $200,000 royal commission has brought it to his attention, is it not extraordinary that he has not the information before him or in his mind? That is the point we are complaining of. Then I proceed to read:

We were informed that upon several occasions in the past beams containing a false zero notch, such as the one described in the case heard by us, had been seized by inspectors of the Weights and Measures branch, Department of Trade and Commerce. Upon receiving the report of the case brought before us at Moose Jaw in August, 1923, the department took immediate action to discover what elevator scales showed signs of having been manipulated, and twelve seizures and prosecutions have since taken place. In each of the cases the tampering was of the same nature as that described at Moose Jaw. A notch had been filed in the beam behind the zero notch so as to provide for the registering of an incorrect weight, the difference thus created in favour of the buyer ranging, in these eleven cases, all the way from thirty to a hundred pounds.

That is, thirty pounds in a wagon load, not in a car.

The wagon load is first weighed correctly, the poise being set at zero and a true weight given. Then after the grain is unloaded the poise is slipped back to the false notch, and the extra weight thus created is added to the weight of the empty wagon, thus increasing the deduction to be made from the gross to give the farmer the net weight of his grain.

Then the report continued:

In eleven of the twelve cases convictions were secured. In all these cases, however, nothing further was proved than that the companies had possession of the scales and were using them.

This is the point.

In each case the agents denied having used the false notch on any occasion. Some of them stated that they were unaware of the existence of the notch until it was pointed out to them by the inspectors. Others said they had found it on the beam when they took charge of the house. The superintendents of the companies likewise disclaimed all guilty knowledge of the condition of the scales. In some cases the company in possession had taken over the elevator only recently from a company now out of business, and the false notch might have been there prior to the change of ownership. Again the manipulation might have been

[Mr. Stevens.]

the work of a guilty agent making a profit for his own purposes. Many explanations, of course, are possible besides that of guilt attributable to the company itself. It is worthy of note that these twelve cases affect ten different companies, one company being found to have two such scales in its possession the others only one each.

Which I referred to a moment ago.

Mr. VIEN: Is my hon. friend not satisfied with eleven convictions out of twelve offences?

Mr. STEVENS: I am not and I will tell my hon. friend why. These convictions were merely formal convictions of a company having in possession a scale with a notch in it, the company having disclaimed all responsibility, each individual in the company disclaiming responsibility, and there the matter stands. What I am saying to the minister is this: The offence is of such a contemptible and vicious character that it warrants the government following it up until it discovers who put the notches in the scale, and I think it could be discovered. I do not say it could be discovered by simply examining those who were involved, or taking their word. These commissioners, it will be remembered, were sitting simply as investigators of the grain trade. They were not investigating this specific thing and just happened to run across it. Naturally you could not expect them to put persons on trial, but it was brought to the attention of the department.

Mr. VIEN: My hon. friend says they were convicted.

Mr. STEVENS: I think my hon. friend will agree with me that the convictions under the act simply meant that the company was convicted of having in its possession scales that were false.

Mr. CARROLL: The law gets after the owner of the scales; but, is there nothing in the act by which the man perpetrating the fraud can be convicted?

Mr. STEVENS: I have not the act before me and cannot quote the section. Certainly anyone who is guilty of perpetrating a fraud under the Criminal Code can be prosecuted. I do not want to appear to over-emphasize this matter but it is a case of deliberate and vicious fraud.

Mr. LOW: I should like to correct a statement I made a few minutes ago. The deputy said he thought there were six or eight prosecutions last year. The correct number is fourteen.

Mr. STEVENS: That takes in prosecutions everywhere. I am trying to get the government and the minister to appreciate the desir-

ability of hunting down these criminals, not the companies themselves, not punishing the companies for having the scales in their possession and disclaiming responsibility, but to ascertain who are the individuals responsible and to prosecute them.

Mr. WARD: A matter has been brought to my attention just recently, and if I am not in order in discussing it under this item then I will stand corrected. I have been informed that millers throughout Ontario who purchase wheat, say at points like Goderich, find that there is a systematic steal. One miller informed me that out of some forty cars milled last year, every 1,200 bushel car was an average of eight bushels short, and every 1,500 bushel car was an average of eleven bushels short. I am not sure that that is a matter for the Department of Trade and Commerce. It may be a matter for the grain commission, but if this systematic stealing has been going on as one miller put it, I think someone should look into the matter.

Item agreed to.

Mr. LOW: I would like to revert to item 372:

Printing of parliamentary and departmental publications, including cost of Canada Year Book, $90,000.

The right hon. leader of the opposition asked if the Canada Year Book had been printed at the bureau. The information I have now is that it has been printed there for the last four years.. About 1,500 to 2,000 copies are sold at $1 each.

Mr. STEVENS: Will the minister give us the total of this vote, not only the items of the cost of the Canada Year Book, but the balance of the vote?

Mr. LOW: There is an item of $22,000 for publications likely to be published in 1925-1926. I might give a detailed list:

Census:
- Bulletins: We hope to have all bulletins out before April 1, but it would be well to allow, say $1,000 in case of failure.
- Reports of 1921 census:
- Vol. III: Families, dwellings, ownership of homes, rentals, earnings.
- Vol. IV: Occupations and employment.
- Vital statistics.

Production:
- Monthly bulletin of agricultural statistics
- Fruit statistics.
- Fur farms.
- Dairy factories.
- Fisheries.
- The lumbering industry.
- Pulp and paper.
- Manufacture of wood and paper products.
- Central electric station.
- Preliminary mineral production report, January 1. to June 30.
- Preliminary mineral production report, 1924.
- Annual report on mineral production (final).
- Coal statistics for Canada.
- Chemical industries of Canada.
- Manufactures of non-metallic minerals.
- Manufactures of iron and steel.
- Manufactures of non-ferrous metals.
- Coal statistics.
- The textile industry.
- General manufactures.

External trade:
- Annual report of trade of Canada.
- Monthly report of trade of Canada.
- Condensed preliminary trade report.

Transportation:
- Railway statistics.
- Electric railway statistics.
- Canal statistics.

Internal trade:
- Grain trade report.
- Live stock and animal products.
- Prices and price indexes.

Financial statistics:
- Municipal statistics of cities 10,000 and over.
- Municipal statistics of municipalities of 3,000 to 10,000.
- Municipal statistics of municipalities of 1,000 to 3,000.
- Education statistics.
- Canada Year Book.
- Report of Dominion Statistician.
- Criminal statistics.

Mr. KELLNER: Has the minister in those statistics any estimate of the cost of grain production per bushel or per acre in the west? If he has, what is that cost?

Mr. LOW: I have no doubt that is given in some of the reports of the Dominion Statistician who issues a monthly bulletin. If my hon. friend will look through them, no doubt he will find them.

Mr. MEIGHEN: If the minister has three or four years to spare, I would suggest that he do it. I will undertake that at the end of that time he will not have found it, and I never had charge of the Department of Trade and Commerce.

Mr. STEVENS: I notice the minister included in this item of $90,000 an item for agricultural statistics of various kinds. A few nights ago we were passing agricultural estimates, included in which were several votes for printing. Are statistics, bulletins and reports issued by the Department of Trade and Commerce and also by the Department of Agriculture on similar topics?

Mr. LOW: We are endeavouring to eliminate all duplication. I do not think the same statistics are issued in the Department of Agriculture as in the bureau.

Mr. STEVENS: I think there was a vote for printing for the Bureau of Statistics the other night in addition to this.

Mr. LOW: I do not think so.

Mr. STEVENS: I am sure of it. I think the minister will find there was a very considerable vote for printing under the heading of Bureau of Statistics.

Mr. LOW: There may have been something under the item of the census.

Mr. MEIGHEN: Why is all the government printing not estimated for together and the detailed items given instead of being scattered around in this way? This, of course, is a mere fraction of what government printing is costing. Does this always appear in the estimates by departments? Are there not Printing Bureau estimates by themselves?

Mr. LOW: Yes. I am sure my right hon. friend, who has been in this House for so many years, realizes that each department has its own expenditure in connection with these items.

Mr. KELLNER: Does the vote for "Dominion Bureau Statistics, including western census," cover printing?

Mr. LOW: That covers the cost of the census and its publication.

Mr. KELLNER: It includes them, but there must be something else.

Mr. WARD: What is the cost of printing the Canada Year Book?

Mr. LOW: It is $23,000.

Mr. WARD: What is the balance of $90,000 made up of?

Mr. LOW: I have just read a long list of publications.

Mr. WARD: What is the system employed in arriving at the cost of production, say of manufactured goods of any kind?

Mr. LOW: Any information of that kind is gathered in from the different manufacturers of a particular line, similar to the procedure with agriculture.

Mr. MEIGHEN: Does this include the cost to the Printing Bureau of distributing these parliamentary and departmental publications?

Mr. MURDOCK: My right hon. friend will find vote No. 264 for the distribution of parliamentary documents and other governmental publications, $40,000. That is carried in the Printing Bureau estimates.

Mr. STEVENS: What is the total bill for the printing of the Department of Trade and Commerce? There were sums under other items such as the Bureau of Statistics, Intelligence service and so on. Under the item of public printing there are some items part of which no doubt come from the minister's department.

Mr. LOW: This item, with the amount included in the census, covers almost, if not the entire expenditure of the department in connection with printing. In addition to that $90,000 for the year 1923-24 there was a further sum of $28,784.36, making a total of $118,000.

Mr. MEIGHEN: Why is it that the salaries paid in weights and measures inspection work do not appear under civil government?

Mr. LOW: They are all outside Ottawa.

Mr. MEIGHEN: Should they not be brought into the serivce and placed under the Civil Service Act? We have 120 officers all over the country and there is no excuse now for leaving them outside; they are a permanent service, although they were temporary for a while.

Mr. LOW: They are all under the Civil Service Commission but in the outside service. The same is true of other departments.

Mr. MEIGHEN: But why should they not be brought into the permanent service so that we might have them in detail? It does not help us very much when they are lumped together in this way, because we do not know what anyone is getting.

Mr. LOW: They have been so treated for years.

Item agreed to.

Relief supplies for the Leeward islanders, $7,500.

Mr. MEIGHEN: Are the Leeward islanders the coal miners of Cape Breton?

Mr. LOW: This is a grant to the relief of the people of Antigua, the victims of a disastrous hurricane that swept those islands last August. This sum is required to pay for supplies purchased and shipped to the island of Antigua at the request of its governor, who sent out an appeal.

Mr. MEIGHEN: Have the Leeward islands a governor of their own?

Mr. LOW: Yes.

Mr. MEIGHEN: What form did his request take?

Mr. LOW: He sent a cable to the Prime Minister.

Mr. MEIGHEN: It came direct from the Governor General?

Mr. LOW: He is merely the governor of the island, not "governor general."

Mr. MEIGHEN: How does this come under the Department of Trade and Commerce?

Mr. LOW: We supplied the building material that went down; it went through this department.

Mr. MEIGHEN: They are British islands?

Mr. LOW: Yes.

Mr. WOODSWORTH: Why is it that our own native Canadians are discriminated against in favour of outsiders? If the Department of Trade and Commerce can give relief to the people of the Leeward islands why can this government not give relief to the Cape Breton islanders?

Some hon. MEMBERS: Carried.

Mr. WOODSWORTH: May we not get an answer to that question?

The CHAIRMAN: I do not think it is relevant to the item at all.

Item agreed to.

Prince Rupert elevator, towards construction of, $500,000.

Mr. LOW: When this item was under discussion a few nights ago an hon. member asked for the engineer's estimate of the cost of the elevator. I was not then prepared to give it to the House but I may state now that the estimate is $960,000.

Mr. MEIGHEN: How much will it go beyond that?

Mr. LOW: It will be below the engineer's estimate.

Mr. MEIGHEN: That is, the contract price.

Mr. LOW: Yes.

Mr. MEIGHEN: By the time the extras are paid for what will it likely be?

Mr. LOW: The cost in connection with the Edmonton elevator was I think within three or four thousand dollars of the estimate. I do not think there will be much greater difference in this case.

Mr. SPENCE: The same contractors are building both.

Mr. LOW: Yes.

Mr. STEVENS: Has the contract been let?

Mr. LOW: It is now awaiting the Governor General's signature. An item has appeared in the newspapers in regard to this matter but I do not know how they got hold of it.

Mr. STEVENS: Who is the contractor and what is the price of the contract?

Mr. LOW: Until the Governor General has signed the agreement I would rather not give that information.

Mr. MEIGHEN: What is the name mentioned in the newspaper item to which the minister refers?

Mr. LOW: The name I saw in one of the Vancouver newspapers was that of Carter, Halls & Company, of Winnipeg.

Mr. MEIGHEN: Did they build the Edmonton elevator?

Mr. LOW: Yes.

Mr. STEVENS: Well, the minister has already told us that the same contractors are building both, so that he might as well come out and tell us that the firm are Carter, Halls & Company, notwithstanding that the Governor General has not yet affixed his signature to the document. And at the same time we might as well have the whole story as to the price and so forth.

Mr. LOW: I would rather not give that.

Mr. STEVENS: Was that not given in the newspapers too? Does this estimate of $960,000 cover the superstructure as well as the preparatory work, the foundation?

Mr. LOW: This covers the elevator proper. not the foundation or the trackage.

Mr. STEVENS: The foundation has already been built under a separate contract. The minister therefore was safe in saying that the present contract for the superstructure would be below the engineer's estimate for the whole thing. What was the amount of the first contract for the foundation?

Mr. LOW: I shall be glad to give the committee the complete estimate of the engineer for the elevator, including everything:

Foundations (contract awarded to the Northern Construction Co., and J. W. Stewart, at this figure)	$222,000
Warehouse and trackshed	540,000
Storage annex	240,000
Drier and boiler house	36,000
Office and sub-station	42,000
Galleries and shed	106,000
Trackage, trestle, and fill	60,000
Contingencies	20,000
Engineers' fees and supervision	63,300
	$1,329,300

Mr. STEVENS: How does the minister bring this within the engineer's estimate of $960,000 which he said covered the whole thing?

Mr. LOW: That estimate did not cover the trackage.

Mr. MEIGHEN: I asked the minister for everything. How much is there that is not included yet?

Mr. LOW: The whole thing will be within the estimate of the engineer.

Mr. MEIGHEN: How much has been spent?

Mr. LOW: I understand the foundation work is just about to be completed for $222,000.

Mr. STEVENS: I have an item given in an Ottawa despatch of May 19—the day I think the tenders were opened—stating that Carter, Halls & Aldinger, contractors of Winnipeg, were the lowest tenderers for the Prince Rupert government elevator at $865,000. How did such information get out when it was denied the House?

Mr. LOW: Is that from a Vancouver paper?

Mr. STEVENS: I presume it is.

Mr. LOW. Read the last portion of that despatch.

Mr. STEVENS: It says that the minister did not give it out.

Mr. LOW: Yes.

Mr. STEVENS: The minister gets the most extraordinary notions when one is asking a question of this character. I am not suggesting that the minister gave out the information. I am asking how it was given out when it was denied to members of the House.

Mr. GRAHAM: That is easy.

Mr. STEVENS: The Minister of Railways (Mr. Graham) says it is easy. Well, I think he will agree with me that it is scarcely fair to members of the House that information should be denied us, and then the very day the tenders are opened it is printed in a paper on the other side of the Dominion.

Mr. GRAHAM: This is my experience of the way it is done. The representatives of the contractors are here, and as soon as the tenders are opened each contractor knows what the other tendered for, and the discussion is then right out in the open. But that does not mean the contract is awarded, although an hour afterwards each contractor feels at liberty to tell everybody about it. As to giving out the information, it would not be courteous on the part of the government to divulge the contents of an order in council until it has been completed by the signature of the Governor General, and until it is completed there is no actual contract.

Mr. STEVENS: The minister's explanation is a very good one.

Mr. GRAHAM: It is the right one.

Mr. STEVENS: Possibly it is correct. But there is another aspect to this question which I think merits some attention. There are those in the commercial world who are desirous to sell goods, we will say legitimately, to the successful tenderer, and they are very anxious to get information so they will have an opportunity of getting in touch with him, and so forth. Now, a very positive statement of this kind would indicate that the contractor did have some encouragement to believe that his tender was successful. That would place him or his friends, or those who were favoured with the information, in a position of advantage over those who were honestly awaiting the official announcement. The order in council was passed, I understand, on May 19, at least it was ready for passing on that date, and I do think it ought to be possible in a very important contract of this kind to announce the letting of the contract some time earlier than May 25. Once tenders are called for, if the government intend to go on with the work, they should publicly announce the granting of the contract as early as possible, so everyone interested may have a fair and even chance to sell his goods for the work.

Mr. LOW: I can only say to my hon. friend that the contract was awarded to the lowest tenderer, and the order was signed within two hours afterwards. As soon as it has been signed by the Governor General the announcement will be made.

Mr. GARDINER: What is the capacity of this elevator?

Mr. LOW: It is 1,350,000 bushels.

Mr. GARDINER: What will be the approximate total cost of the elevator without the trackage?

Mr. LOW: I have read out the full details as given to us by the engineer. The cost of the trackage, trestle and fill is $60,000, so if the hon. member will deduct that from the total amount he will have the balance.

Mr. MEIGHEN: The minister gave the total cost as $1,331,000.

Mr. LOW: No, $1,329,000.

Mr. MEIGHEN: I thought the figure he gave was $1,331,000 for this elevator. Can he tell us what the corresponding estimate is for the new elevator at Halifax?

Mr. LOW: The engineer's estimate was $622,570. The contract has been awarded to E. G. M. Cape & Company, of Montreal, for $599,800.

Mr. MEIGHEN: That is to say, the government is putting in an elevator at Prince Rupert at more than twice the cost of the elevator at Halifax.

Mr. LOW: Not twice the capacity. The Halifax elevator has a capacity of 1,032,000 bushels.

Mr. MEIGHEN: But at twice the cost, I say. Is the minister aware that his colleagues, in order to win the by-election, promised a two million dollar elevator in the most definite terms?

Mr. JACOBS: They did not win the election.

Mr. MEIGHEN: That is the explanation. If it was not for the member for George Etienne Cartier (Mr. Jacobs) we would get very little frankness from the other side of the House.

Mr. GRAHAM: Last year the junior member for Halifax (Mr. Black) said they did not need an elevator there.

Mr. MEIGHEN: The government estimate that it will cost $1,331,000 to elect their candidate for Prince Rupert.

Mr. LOW: That is wrong.

Mr. MEIGHEN: That is the way the member for George Etienne Cartier put it in his celebrated Winnipeg interview.

Mr. JACOBS: You have to allow for accidents.

Mr. MEIGHEN: And a large allowance must be made.

Sir HENRY DRAYTON: Mr. Chairman, when this matter was up initially last year I protested against the work, and I think I very fairly pointed out the traffic conditions at Prince Rupert. It would be such a good thing for this country if we could find some cheaper way for the government to look after its election expenses, some way in which a real benefit could be given to the people of Prince Rupert. Now we have this enormous expenditure of $1,329,000 for an elevator at a place where there is no business for it. Undoubtedly some of the government's friends will make large profits in the supply of hardware, as they did in connection with the erection of the warehouse there. This will help the gentlemen in the hardware business, but how does it help Prince Rupert? Again I ask, is there no cheaper way of doing it, if it must be done? Last session I asked what business there was to justify such an enormous expenditure, but I could not get any information. The government has now had in operation for some years an expensive warehouse at that point. There is one very distinctive thing about that warehouse—it is doing no business worth while talking about. Has the government ascertained what it is making out of its present facilities in Prince Rupert? It may be said that we cannot make money unless we have the facilities. Well, they have a great warehouse there, and they have a dock; what are they making out of it? The government never took the trouble to consider that aspect of it; a demand is made, the money is only the money of the taxpayer and it has to go. Surely the government will tell us what their estimate is of the business to be done. Surely they will give us some reason why we should now throw away $1,329,000. They know what the loss is on the warehouse and they know what business is being done. They should give that information now.

Mr. GARDINER: Deducting the cost of trackage, the total cost of the elevator will be $1,269,000. I understood the minister to say the capacity would be 1,350,000 bushels, so that it will cost approximately 94 cents per bushel capacity to build this elevator. Why is there such a great difference between the cost of the Halifax elevator and that of the Prince Rupert elevator so far as bushel capacity is concerned?

Mr. LOW: No doubt the conditions are very different as between Halifax and Prince Rupert—different as to foundation, trackage, and everything else.

Mr. KELLNER: I am afraid the minister must refer to political conditions. Last year when this matter was up we were told that an extremely favourable site was available at Prince Rupert on which to build this elevator. Beyond doubt there is not a better site on the western coast for the building of an elevator than at Prince Rupert, and if the figures were reversed and Prince Rupert were the cheaper point at which to build, there would be something in the minister's contention. As it is I think he should give us something further than the mere statement that the conditions are different.

Mr. KENNEDY (Edmonton): Last year in discussing this Prince Rupert elevator I think it was the Minister of Railways who said that Prince Rupert was a better port for the Peace river country than Vancouver, or a nearer port. I wonder how soon we shall be able to use it; how soon we shall have direct rail connection from the Peace river country to Prince Rupert to justify the construction of this elevator.

Mr. GARLAND (Bow River): This is an amazing situation. The ex-Minister of Finance criticizes the government for lack of information with regard to the estimated business to be done through this elevator after it is constructed. Every request for some information to justify the expenditure is declined, and not only declined, but no attention paid to it. The hon. member for West Edmonton gets up and asks the Minister of Railways if he will help to justify the construction of this elevator by building a line into the Peace river, but there is no answer from either minister in this connection. I am not opposing the construction of an elevator if there is need for it. I am not opposing the construction of this elevator if the promise of the Minister of Railways is carried out. If we get a line into the Peace river country there will be some justification for it.

Mr. GRAHAM: My hon. friend will tell me, perhaps, when I made such a promise.

Mr. GARLAND (Bow River): The minister allows the press to attribute all these promises to him and does not bother contradicting them.

Mr. GRAHAM: I do not control the press, I regret to say.

Mr. GARLAND (Bow River): He could contradict it very quickly.

Mr. GRAHAM: I am too busy.

Mr. GARLAND (Bow River): Working up ways of getting Mr. Beatty and Sir Henry Thornton together? If this government ever wishes to justify the construction of an elevator at Prince Rupert it will have to put its own line into the Peace river, for this reason: Any grain that is grown there at present, under terrible conditions, is shipped south over the Canadian Pacific to Calgary and goes direct to Vancouver, and unless the Canadian National makes direct connection with the Peace river country there will be so little grain going to Prince Rupert that there will be no justification for the construction of this elevator. If the minister cannot give the committee some better reason—indeed, some reason; he has not given any yet—for this construction and also for the difference in expense to which the hon. member (Mr. Gardiner) has referred, I am afraid I for one cannot feel satisfied.

Mr. KING (Kootenay): I have no hesitation in justifying this expenditure. Prince Rupert is one day nearer the Orient than any other port on the Pacific. There is an opportunity for the handling at that port of a very considerable quantity of grain from the prairie provinces. I think the most important feature of the development will be the stimulation of agriculture in that large hinterland in northern British Columbia, which is an excellent agricultural country. It will make it possible for the farmer in that area to produce wheat on his land and find a market at Prince Rupert. To-day he is precluded from anything of that kind. If he produces wheat it must be sold locally. It cannot get on the world's market, because it cannot be transhipped back to Calgary or Edmonton and thence on the Canadian National to Vancouver. This elevator will do more to develop that great hinterland in northern British Columbia, which is tributary to what is known as the Grand Trunk Pacific railway, than anything else this government can do, and I have no hesitation in justifying and advising this expenditure.

Mr. LUCAS: Perhaps the Minister of Public Works could tell why this elevator at Prince Rupert is to cost twice as much per bushel capacity as the one at Halifax.

Mr. KING (Kootenay): I cannot answer my hon. friend's question. Unfair comparisons are very often made between the cost of elevator construction at Port Arthur and Montreal and the cost of similar construction on the Atlantic and Pacific coasts, and very often those who make such comparisons are not fully informed. Elevator construction in Vancouver harbour has been expensive and will continue to be so on account of the conditions in that harbour. At Prince Rupert I believe the same conditions exist. Earth filling had to be brought a considerable distance and dumped in in order to enable the piles to be driven for the foundation. These are conditions that do not apply to Fort William or Port Arthur. As to the other expenditures, I am not conversant with the contracts, though I know that tenders have been called and a number of contractors have tendered on the work. It should be remembered that in construction in the harbour of Montreal, for instance, you are dealing with fresh water where timber foundations will not be destroyed or affected by what is known as the toredo,

which we have on the Pacific and Atlantic coasts. The construction on the Pacific has been expensive, largely in connection with the foundation.

Mr. KELLNER: The minister told us a little while ago that the cost of the foundation was $222,000. Well, once you have your foundation in, I should think the rest of the elevator could be built just as cheaply at Prince Rupert as at Halifax—cheaper, in fact. There is, however, a difference of half a million dollars in the cost, regardless altogether of the foundations.

Mr. MURDOCK: There is a material difference in wage rates as between Prince Rupert and Halifax. The fair or current wage for a carpenter at Halifax is fixed at 57 cents an hour; that is the agreed rate between labour and the employers in Halifax. At Prince Rupert and Vancouver the rate will be approximately thirty cents an hour higher than that. The rate has not yet been fixed for Prince Rupert, but in Vancouver the rate is $7 for an eight hour day. The comparative rate for labour would be from 33 to 35 cents at Halifax as against, say, 45 cents in Prince Rupert. We have not yet definitely determined the rate that is to be paid, but the same comparison as between other classes of labour can be considered.

Sir HENRY DRAYTON: Would the Minister of Labour tell us what the percentage for labour is in the cost of this structure?

Mr. MURDOCK: No, I did not give this particular elevator construction any thought from that viewpoint. I am giving my hon. friend a comparison between the carpenter's wage which is about 30 cents an hour higher in Prince Rupert than it would be in Halifax. I should judge the labourer's wage would be about 15 cents, maybe only 13 cents, an hour higher, and the same holds good generally for other classes of labour, which would run up to a material item during the course of construction; I could not say exactly how much.

Sir HENRY DRAYTON: My hon. friend sees, of course, that we cannot get any very useful result in regard to this structure unless we know what the percentage of the labour cost would be. I understand this is to be a concrete elevator. Has my hon. friend ever considered the proportion of labour cost as against the cost of materials in concrete elevator construction? I should not think the carpenter work would be very heavy, but I may be wrong. My hon. friend is the expert on this question to whom I am appealing.

Mr. MURDOCK: There would be considerable carpentering work in concrete construction. There would be many form builders even in the construction of a concrete elevator, and all the concrete mixers and pourers would get a proportionately higher amount. I would say now—but this is only a snap shot opinion at the moment—that the cost of labour would be 30 per cent, possibly 32 per cent, higher in Prince Rupert than in Halifax, and I am judging from the carpenters' and labourers' rates which I have in mind.

Mr. STORK: I wish to deny entirely that this is in any sense a political elevator. The hon. member for West York (Sir Henry Drayton) has referred to it in those terms, but I may remind the hon. member that in 1917 I carried that constituency by a majority of six hundred without any reference to construction of an elevator. In 1921, without the benefit of an elevator, I again carried the constituency, and I am sure that the same result will be once more achieved even without the aid of the elevator. However, Mr. Chairman I have spoken in this House on many occasions in support of this project. Therefore it is unnecessary, I think, for me to go into all the details again; to again refer to the fact that Prince Rupert is some 480 miles nearer the Orient than any other port on the Pacific; that there is a harbour there which is economical and easy of access—very little being required in the way of insurance, or pilotage charges. It is unnecessary for me again to go into all the details of these advantages. Our terminal rates are the same from Edmonton to Prince Rupert as they are from Edmonton to Vancouver. Our rates are also the same from Prince Rupert to Liverpool, or to any other port in Europe, as they are from any other port on the Pacific. I know that objection has been taken to this elevator, but the results will justify its construction. The hon. member for West York put his finger on the situation when he said the probable reason for building the elevator was that the railroad would require traffic. That is exactly the whole point. This country has a tremendous capital investment in the Grand Trunk Pacific. That railroad, known to-day as the Canadian National is no more unsound to-day than it was in the days of Sir Wilfrid Laurier. It was a sound project then; it is absolutely a sound project to-day. But if hon. gentlemen opposite continue their attempt to destroy this railroad it will never get anywhere. It is serving one of the best districts in the Dominion. If hon. gentlemen opposite will take the time to go

out and tour that country they will find that the northern part of British Columbia is one of the very best districts in Canada. But the road can only be made to pay when traffic can be hauled over it, and you will find, Mr. Chairman, that this elevator in Prince Rupert will be one of the revenue producing assets of the Canadian National Railway.

Sir HENRY DRAYTON: If I really thought that we would have traffic here and that any useful result would come from the building of this elevator I certainly would not object to it. My hon. friend tells me to go and visit the country. I have been up and down it, and I know a good deal about the costs of operating in that country. In certain directions it has much ahead of it; it has nothing ahead of it as a wheat raising country. It is simply idle and ridiculous nonsense to so describe it. I have been through that country and I know the cost of clearing land there. It is well wooded country that no one need be ashamed of. A district is not a bad district because you cannot grow grain in it at once so that it will pay. It is a good country but it is not a grain country. I know that there are places in it where the clearing of the land will cost $150 an acre, and in some places a far larger sum has been spent. Years ago I went through the accounts of one of the different colonization projects that I had to look into, a town site proposition—I am now speaking from recollection which is pretty nearly right—and at that time the biggest crop that was raised along the line of the Grand Trunk Pacific was town site propositions. Going into those accounts the cheapest clearing that I could find was at a place called Vanderhoof, where there is good soil and good agricultural possibilities; as I recollect it some forty-five miles west of Prince George. The clearing there cost—the trees were light, they were not the regular heavy British Columbia trees—only $35 an acre. In other words anyone that talks about raising grain in that country has got to start out with clearing his land at a cost of $35 an acre more than he can buy land for, that is land well adapted for grain raising, in a proper grain district. I still say that this scheme—you can only call it a scheme—is simply nothing else but another instance of political waste and political expenditure. Everybody knows that who knows anything at all about the matter. It is necessary that we should have traffic of course, but I should have thought that one of the things this government would want to do would be to obtain traffic in a way that would pay the government system. What object is there, when the locality cannot and will not grow grain, to go into that country? They would lose money in doing so, and there are things in which they can make money, which they should go into. The grain comes from the prairie section to the east. What earthly use is there in this government turning round and making competition between their own terminals, Vancouver on the one side and Prince Rupert on the other? You have no grain in the latter district. You have to go east of that for your grain.

10 p.m.

Mr. KING (Kootenay): We will have grain there.

Sir HENRY DRAYTON: Yes, possibly you will, when the time comes that our vacant lands on the boundless prairies are taken up and you can get in your first crop; you will have some grain then. My hon. friend from Kootenay thinks they will have grain there. Well you can, if you go far enough. If you do that, you will have to carry your grain further. My hon. friend knows it and knows it well.

Mr. KING (Kootenay): Has my hon. friend heard of the Ootsa lake country?

Sir HENRY DRAYTON: We are getting to a district that must be at least sixty miles south of the line.

Mr. KING (Kootenay): No; it is south of the line, but not that distance.

Sir HENRY DRAYTON: I would have thought so. It is a first rate thing to spend money for something which may perchance happen, if not the next decade, the decade after, while we have got any amount of land and any amount of districts that are now ready to hand which are suitable; but the real truth is—and the minister knows it perfectly well—that if he goes back to where the grain is grown, where the movement is, he goes to a point so far east that it is just as easy to go to Vancouver as to Prince Rupert.

Mr. GARLAND (Bow River): Is it not a fact that Vancouver is about 190 miles closer to Edmonton than is Prince Rupert?

Sir HENRY DRAYTON: I was about to give the figures. The mileage from Edmonton to Vancouver is 765.47, while the distance from Edmonton to Prince Rupert is 956. Of course if you are in the railway business for fun, and if you like deficits, carry your grain further than you need.

Mr. STORK: Is it not a fact that the Canadian National Railways had to absorb the charge of $13 per car from Fort Mann in to the elevator at Vancouver?

Sir HENRY DRAYTON: I do not know exactly how that situation is to-day, but I do know if they have to do that it is very easy for the government to put up their own elevator and their own terminals, where they have first rate water and save these millions.

Mr. GARLAND (Bow River): May I suggest to the ex-Minister of Finance that the hon. member for Skeena is evidently trying to mislead him? It is true that it costs $13 per car extra from Fort Mann to the elevator at Vancouver or approximately one cent a bushel, but we have to pay that, not the railway.

Sir HENRY DRAYTON: I think that point is absolutely well taken. We have a cost now which is absolutely going to be a very serious thing. A question which has given the Minister of Railways a great deal of concern is the per mile cost of operation in Canada. Those costs now are so high that the system to-day, with railway freights that everyone is grumbling at, reports large deficits, and yet at a time like this we have an expenditure of $1,300,000, for what?—that so many more hundred miles of distance will have to be travelled at these high rates by this railway and its deficits multiplied. My hon. friend is in a great deal of difficulty in connection with it, and I sympathize with him in his difficulties in connection with the rate problem. I am only sorry that the government of which he is a member, and which he is bound to support, adds to the difficulties, multiplies charges and creates deficits by this sort of thing. What else can there be in it? There are the mileages. The mileages are 765.47 and 956, nearly 200 miles more, when every mile to-day is a most expensive operation. Why, to-day we had before the committee on Railways and Canals evidence to show that the cost of running a passenger car had risen to from 38 to 40 cents per mile. Of course the freight charges are less than that. There are more cars on the freight trains, but the upward trend is just the same. We have at present this situation; here we have an expenditure of $1,329,000, which, if it serves the purpose that its sponsors want it to serve, which if it carries grain, is simply going to add this much more to the present deficit by forcing the National Railways to carry that grain at the same rate just that much further and we had losses in this western territory of over $2,000,000 in the year when we had our biggest grain crop. My hon. friend's own experts will tell him that if you carry grain at the present price over a given distance you absolutely lose money. Why, the grain rate used to be a paying rate, despite what the railways did say about the grain. It used to be a productive rate. It was low, it is true, but there was such volume, continuity and density that it paid. But if you get your underlying basis of expense up too high, remember that for every mile further you carry the goods you taper down your revenue, because you get to a point where, in connection with that tapering down, you are absolutely losing money for every extra mile you carry the goods. That is the situation here. Notwithstanding that situation this government of its own motion is going out of its way to add to the cost of the grain movement $2,000,000. Of course it will not do it. Hon. gentlemen are safe in that respect. That is what would happen if the supposition on which all this is done were true, but it is not true. The grain elevator will not be used much more than the warehouse is used to-day. My hon. friend knows very very well the situation in connection with the warehouse. My hon. friend the Minister of Railways would not say the business in that warehouse to-day would justify its construction. There was one expensive thing to do. Having done that, having shown that the business was not there, in connection with commodities that that country can produce, it was the height of madness for the government to turn around and run into this expenditure in connection with such a thing as that country does not and will not produce.

Mr. McQUARRIE: The Minister of Public Works (Mr. King) has referred to cheapness of construction on fresh water as compared with salt water, and he has also pointed out that the reason for that is that the toredo attacks the piles in salt water and does not do so in fresh water. That is something that we have been contending for a long time in New Westminster where the Fraser river has been coming into prominence from a shipping standopint in the last year or so. The Minister of Public Works knows all about the Fraser river; he knows about the available sites for elevators that we have there, sites that are already owned by the government or by the Canadian National Railways, sites at Port Mann, which have already been referred to, sites at New Westminster costing something like a million dollars, largely vacant at the present time, half a mile of water frontage at Woodward's landing a few miles below New Westminster. All

of these sites are owned by this country or by the Canadian National Railways, which is the same thing. It has been stated that this elevator is not a political one. Why is it that the Fraser river is being passed over and an elevator is being constructed at Prince Rupert? Where does the justification for that decision come in? It cannot be that men engaged in the grain business have recommended that the elevator be located at Prince Rupert in preference to the Fraser river. I do not believe you can get any grain expert who will say any such thing.

Another matter which has also been referred to and which has been pointed out from time to time to the Minister of Public Works and also to the Minister of Trade and Commerce (Mr. Low) personally is that there is a loss to the Canadian National Railways in having to haul grain to Burrard inlet when it might be shipped from Port Mann or some of these other sites on the Fraser river. Something like $13 a car is being absorbed by the Canadian National Railways for all grain which is shipped past the Fraser river. the Fraser river is the first point where ships can come in and get that grain. This matter has been put up to the Minister of Public Works many times by the citizens of New Westminster and the surrounding district. It has also been put up to the Minister of Trade and Commerce. If this is not a matter of political discrimination, what is it, and why has the Fraser river been passed over in this way? The Minister of Public Works knows that one of the greatest authorities on grain elevators in Canada, Mr. Howe, has reported that the Fraser river is the proper place for the location of a government grain elevator.

Another matter to which I might refer is this. The Minister of Public Works will remember that when the citizens of New Westminster petitioned him and the government for the construction of a grain elevator at New Westminster, they were told that the government was going out of the grain elevator business; that the government was not going to construct any more elevators. Now we find the Prince Rupert elevator coming along. Why is that? I should like to have some reasonable explanation of the decision of the government to build this grain elevator at Prince Rupert rather than on the Fraser river, where the government owns sites and where it will be so much to the benefit of the Canadian National Railways to have elevator facilities.

Mr. SPENCE: There might be some justification for building an elevator on the Fraser river, but there is absolutely no reason for building one at Prince Rupert. The hon. member for Skeena (Mr. Stork), in advocating the building of this elevator, says that it will develop trade along the Grand Trunk Pacific. If you do that, you take trade from the old Canadian Northern, which is the same thing. They all belong to the Canadian National. Wheat has to be hauled 200 miles further to get to Prince Rupert. The Minister of Public Works endeavoured to justify the building of this elevator by saying that a big hinterland will be developed in British Columbia. That is business that may not come for years and that may never come. We have been building railroads fifty years ahead of the times, and now the government is starting the same policy of building elevators ahead of the times. I would be the last one that would knock anything that would develop any port; in fact I am in favour of developing our ports; but I see no justification whatever for building this elevator at Prince Rupert. It is absolutely wasting the country's money to spend $1,300,000 at that point. If the government were spending their own money, they would not spend it in this way, and they should deal with the country's money just as they would deal with their own. I will not say this is a political elevator or anything of the kind, but it is an ill-advised expenditure. The government should wait until the country develops and an elevator is needed. There is no grain in British Columbia in the great hinterland the Minister of Public Works talks about, and he knows it will be a long time yet before grain is produced there to ship to an elevator at Prince Rupert.

Mr SPEAKMAN: I have no intention of opposing the building of an elevator at Prince Rupert, for I gave it my tentative support last year in the belief, of course, that it was to form part of a general development of that part of the country including the Peace river district. I shall, however, leave the hon. member for West Edmonton (Mr. Kennedy) to deal with that phase of the situation. I want to call attention to another phase which, I think, is of some importance. I might say, by the way, the proper time, if I had wished to oppose the building of an elevator at Prince Rupert, was last year when the expenditure was undertaken. I did not oppose it then and I do not intend to oppose it now. I wish to call attention to the cost of construction. Last year we were given an estimate, and on that estimate was largely based our decision and the vote we cast. I admit, of course, that was

a very rough estimate as given, but it was given as an estimate on which the House might base its decision as to the wisdom of building the elevator. May I quote just a few sentences from Hansard of last year from the statement made by the then Minister of Trade of Commerce, the present Acting Minister of Finance (Mr. Robb), which gives to the House exactly the suggested conditions under which that elevator was to be built and the suggested cost:

> Mr. Robb: I cannot state the exact cost until the plans have been drawn in their entirety. My hon. friend lives in a country where they build elevators. He knows that elevators are built so that they can be enlarged. I imagine that the capacity of this elevator is not to exceed 500,000 bushels. My hon. friend has probably prepared contracts and doubtless knows that the cost of an elevator depends primarily upon the expenditure involved in building the foundations, the cost of getting stone and cement. It is estimated that these elevators can be built at around forty cents a bushel. That is the yard stick you start out with.

May I interpose? The yard stick by which we measured the feasibility of the project when it was first mooted.

> But the expenditure depends primarily on the cost of the foundations.
>
> Sir Henry Drayton: Your foundations should be cheap in that locality.
>
> Mr. Robb: I imagine so.

I am not accusing the then Minister of Trade and Commerce of deceiving the House, but I am pointing out that it is a most unfortunate thing that in this House we should be committed to large expenditures in the face of such vague estimates as these. I think we had reason to suppose that the estimated capacity would approximate the capacity of the elevator as constructed, and that the real cost would be somewhere in the neighbourhood of the estimated cost as then given to us. And that is the point I wish to bring to the attention of the committee. I emphasize it because this is not the first time that we have found ourselves committed to an expenditure far exceeding our expectations, an expenditure based on rough estimates given apparently without any foundation in knowledge or fact. For my part I protest against such things. Had I known that the cost would actually be double the cost given to us at that time, had I known that it was doubtful whether the Peace river country would be opened up in the near future—which one would suppose to be one of the chief justifications for the expenditure—my vote at that time would have been very different. I would impress upon the ministers of all departments that they owe it to this House as well as to their own reputation for accuracy in the future to be careful when they enter upon any new project to give to the House some intelligent idea of the approximate magnitude of the undertaking as well as the approximate cost of it.

Mr. STEVENS: I have no intention of criticizing the government for constructing an elevator at Prince Rupert, but I want to point out that the Minister of Public Works (Mr. King, Kootenay) suggests as a justification for the work the development of the hinterland, the northern part of British Columbia, with particular reference to the district around Ootsa lake—Francis lake, Nechaco valley, Bulkley valley and Vanderhoof. There are some excellent agricultural lands in the northern part of British Columbia, but I want to tell the Minister of Public Works and the government that had they built an elevator at Prince Rupert at one-half the present cost it would have served the purposes of the locality and could have been enlarged later on to meet any development in trade. Had they done that and taken the balance of the vote, of $600,000 or $700,000, and devoted it to some demonstration farms for the assistance of mixed agriculture in the northern part of the province, they would have advanced the interests of that section. The elevator, if its success warranted an extension, could easily have been enlarged. But what is the government doing now? It is wholly disregarding the dairying and mixed farming possibilities of that great northern section; and the one thing that northern British Columbia requires is the development of mixed farming, for this is its basic agricultural possibility, rather than the growing of grain. Some grain may be grown in one or two districts but not to any great extent, while undoubtedly there are large possibilities in the direction of mixed farming. I suggest to the Minister of Public Works that as the chief adviser of the government from the province of British Columbia he certainly has not done the northern part of that province a good turn by advising the government to spend $1,300,000 in a new elevator. The government could have provided first rate elevator facilities at a cost of $500,000, and the structure could easily have been extended next year if the circumstances made such an extension imperative. Instead of that we are committed to a contract for $1,300,000, which I think it will be admitted will be largely experimental.

A word now with reference to the suggestion made by the hon. member (Mr. Stork), that it costs $13 a car to haul grain from New Westminster to Vancouver. That is true; the Canadian National Railways have to pay for the service when moving grain over the line from New Westminster to Vancouver.

Furthermore, the New Westminster bridge has about reached its traffic capacity. I have no hesitation therefore in saying that the time is past when the government is warranted in longer delaying building on the Fraser river facilities for the export of grain from the terminals of the Canadian National. After many years of study of the whole problem, I do not hesitate for a moment to say that this expenditure on the Fraser river is more warranted than the expenditure of this $1,300,000. I do not want hon. gentlemen to go away with the impression that I am opposed to development at Prince Rupert; I want to see Prince Rupert developed and the harbour there utilized. I do say however that the Minister of Public Works has ill advised the government in neglecting the mixed farming possibilities of northern British Columbia while, so to speak, putting all his eggs in one basket.

Mr. KING (Kootenay): Oh no.

Mr. STEVENS: That is what my hon. friend has done. The government could have spent half a million on this elevator and provided first-class facilities for some years, adding to them as the grain trade developed; and the balance of the money could have been devoted to developing other branches of agriculture more suitable to the district than that of grain growing.

Mr. KENNEDY (Edmonton): A little while ago I said to the Minister of Railways (Mr. Graham) that one of the reasons given for the construction of this elevator was the fact that there were great possibilities in the way of grain shipments from the Peace river country. The minister shook his head. Well, I should like to read from Hansard of last year what the minister had to say on this subject. At page 4318 he is reported as follows:

> I know my hon. friend is not very friendly to the Prince Rupert scheme of the Grand Trunk Pacific, but so long as we oppose every proposition to give the Grand Trunk Pacific traffic, so long will the Grand Trunk Pacific give us a deficit. The Grand Trunk Pacific was not intended to be sawed off at both ends; the original scheme was to have a line of ships connecting at Prince Rupert with the Grand Trunk Pacific and the Transcontinental; and although conditions have somewhat changed, yet the fact stands, and cannot be controverted, that the route from eastern or from western Canada to the Orient via Prince Rupert is shorter than any other route by a good many miles. If we are to export our grain or other products by the shortest route at the lowest cost, Prince Rupert must be developed and utilized; there is no question about that. My hon. friend also forgets that there is a vast territory which, when opened up, will be tributary to Prince Rupert and will be many miles closer to Prince Rupert than to Vancouver. The grain shipments from the Peace river country to-day have to go around to Edmonton, which city is of course closer to Vancouver than to Prince Rupert, but when that country is opened up, as it must be, it will be miles closer to Prince Rupert than to Vancouver by way of Edmonton.

Now, the Peace river country is a good grain growing district which is capable of producing millions of bushels of wheat of a high quality; and the remarks which the ex-Minister of Finance (Sir Henry Drayton) made regarding the land along the Grand Trunk Pacific certainly do not apply to the Peace river country.

Sir HENRY DRAYTON: You are right about that.

Mr. KENNEDY (Edmonton): We shipped about 3,000,000 bushels in 1923, and altogether I do not believe that there is more than about one-tenth of the good grain growing land in the Peace river country which is under actual development. There are millions of acres of fertile grain growing land there that do not require any enormous expenditure to bring it under cultivation for the production of wheat. It seems to me that all the other arguments I have heard for this elevator are simply beside the mark, and it was because I believed it was necessary to the Peace river country that I was in favour of voting this supply last session. The argument is advanced that Prince Rupert is four hundred miles nearer the Orient than Vancouver. Last year when arguments were brought forward regarding how far Prince Rupert was from the Panama canal it was said: "Why, two hundred and fifty miles, and that distance on the sea does not amount to anything." But two hundred miles on land does amount to a great deal, and Prince Rupert being two hundred miles further away from the rest of the prairie country than Vancouver is, I do not think the grain traffic is going to move in any great volume in that direction until the Peace river country is tapped and made tributary to Prince Rupert, according to the statement of the Minister of Railways (Mr. Graham) last session. I have mentioned this Peace River railway quite a number of times in the House this session, but it seems to me I am justified in again calling this to the attention of the government, for the reason that we are here voting money to build an elevator that apparently will be absolutely worthless, even for the railway, without the necessary branch line connection between the Grand Trunk Pacific and the Peace river country.

Mr. WARD: Mr. Chairman, we are faced to-night with an amazing situation. We have been so faced on two or three occasions this session, and I notice by the estimates that we

will be treated to another huge anomaly one of these days. Here are we poor grain growers in the west having an elevator forced upon us at Prince Rupert; another elevator at Halifax forced upon us; the Welland ship canal, that will probably cost $125,000,000 to $150,000,000 before it is through, forced upon us, and yet over a million people in the three prairie provinces have been asking for the opening of the Hudson bay route for over thirty years without getting any consideration. What is the matter? This looks to me like the quintessence of gross discrimination, and I think the situation which is developing in this House will have to be reckoned with one of these days. This looks to me like another case of the Esquimalt dry dock, forced upon us for political considerations.

Mr. COOTE: What about the Prince Rupert dock?

Mr. WARD: That is another case of political expediency; while matters of real moment, matters that mean economic life and death to millions of our people, are passed over without any consideration whatever. I for one am certainly not satisfied to see this item pass.

The CHAIRMAN: Shall the item carry?

Sir HENRY DRAYTON: I should think, Mr. Chairman, we might have got some reasonable explanation from the government, but any excuse they might make would have to be so lame, so pitiful and so halting that really I think they are adopting the course of wisdom in leaving the thing as it is. But there are just one or two considerations I am going to again draw to their attention. In the first instance, I entirely agree with the member for West Edmonton (Mr. Kennedy) that there is a first rate grain country in the Peace river district which may be served by Prince Rupert; it may never be. Undoubtedly the traffic from that district ought to be pulled in a westerly direction; there ought not to be a back haul east; but as to whether the line will come out in the neighbourhood of the Vermilion pass or not I do not know; if it comes out west of that pass I do not know exactly how far west it will come out, and even then I do not know whether it will come out so far west that the route will be cheaper than going to Vancouver. But in the meantime I am free to admit that there is a possibility that some day, when some policy has been evolved for the Peace river district, and when perhaps we have money to spend—because after all this thing relates to money, and even this government cannot make political expenditures all over the whole map at once, and undoubtedly they remove the possibility of doing something in the Peace river country when they turn around and spend what they are spending here—but some day when perhaps we have money to spend this may be a better outlet for the Peace river district than Vancouver. We do not know. But we do know something about the conditions to-day, and I am just going to ask hon. gentlemen to turn up their Hansard at page 2059 of this session.

The CHAIRMAN: Is the hon. gentleman referring to a debate that has taken place this session?

Sir HENRY DRAYTON: No, Mr. Chairman, fortunately I am not; if I were I would be clearly out of order. I am referring to information which I succeeded in getting from the government in connection with this very matter, namely, the amount of business which is carried on in this territory.

The CHAIRMAN: May I ask is it contained in a debate that has already taken place this session?

Sir HENRY DRAYTON: It is in the form of question and answer, and I have great pleasure in referring the Chairman to it. It will be found at page 2059 of this session's Hansard. I asked this question:

> What are the respective freight tonnages moved by the Canadian National System on the line running from Yellowhead pass to Vancouver, and the line running from that pass to Prince Rupert in each of the years 1923 and 1924?

This is the answer given by the Minister of Railways (Mr. Graham):

	1923	1924
Tons of revenue freight received at Prince Rupert from points east..	33,052	26,237
Tons of revenue freight received at Vancouver..	336,501	676,942

In other words, the business to Prince Rupert in 1923 is less than one-tenth of the business to Vancouver, while in 1924 the percentage is a great deal less than that. The whole thing is just simply a pity. It is a great pity that my hon. friends last session were misled by, to say the least, mistaken estimates. It is a great pity that with deficits as they are we are committed to the expenditure of $1,329,000 for an elevator that at present, whatever it may have in the future, has absolutely no justification.

Mr. STEWART (Argenteuil): Mr. Chairman, I think my hon. friend (Sir Henry Drayton) is unduly alarmed. If he will just think back to the year previous to last year—if he

was then paying any attention to the movement of grain through the port of Vancouver, as most of us were—he will very well remember that an embargo was placed upon western shipments, an embargo that was continued for several weeks. Why? Because the port of Vancouver could not absorb the grain coming down from the province of Alberta; and the comparison he is making now is proof positive of the necessity for some other outlet being provided. True, last year we did not have the crop in the province of Alberta that we had the year before, but I would point out to him that the same argument is being used now that was used against the construction of the elevator at Edmonton. In spite of the short grain crop in Alberta last year the Edmonton elevator has been full, and it has been full for the last two or three months, showing conclusively that it was good business to build that elevator there. It is true that there is not the traffic on the Grand Trunk Pacific line from Redwater junction to Prince Rupert that there is over the old Canadian National line down to Vancouver, but that is because there are no facilities to take care of grain shipments to Prince Rupert. The construction of an elevator at Prince Rupert is warranted quite apart from the development of the Peace river country. It is warranted on the ground that it will provide traffic for the Grand Trunk Pacific line to Prince Rupert. More than that, it is a shorter route to the Orient, and are we not trying to develop trade to the Orient every day in the week, and to bring trade back from the Orient, and to do something for the railway line we have already built? I am quite in sympathy with the hon. member for West Edmonton in his desire to get railway facilities out of the Peace river country, and I have advocated it on every occasion. But, I say, quite apart altogether from that, the expenditure on the construction of this elevator is justifiable. If this year we are favoured with a crop such as we had two years ago I make the prediction now that the elevator at Prince Rupert will be full. So far as the cost of construction is concerned, I am not prepared to deal with that because I do not know the details. But I do know that a considerable number of contractors have bid for the work and where there is very strong competition the construction costs must have been kept within reason. As to the location of the elevator at Prince Rupert, it will be needed to take care of the grain trade of Alberta, and undoubtedly there will be grain grown in British Columbia in that large area north of and along the Grand Trunk Pacific line. True, it is not a paying proposition now, but if we do not provide facilities it never will be a paying proposition. When that Peace river country comes into its own and has an outlet, then not only the elevator at present proposed but perhaps another one at that point will be required.

[Mr. C. A. Stewart.]

Mr. MANION: I come from a section of the country where there are a great many elevators—the greatest elevator centre in the world is at the head of the lakes—and I have been listening to the discussion here to-night with a good deal of interest. At the same time I cannot help remembering that nearly all the elevators comprising the 65,000,000 bushel capacity at the head of the lakes were built by private capital. In other words, according to my experience—and it extends over many years at the head of the lakes—wherever grain elevators have been required for the business of the country, private capital has been only too happy to build them. Therefore it seems to me that if there was really a demand for an elevator at Prince Rupert private capital would have been ready to come forward for that purpose. There is no doubt that there is no line of business that has done so well as the grain handling business; I admit frankly that it has done very much better than the grain growing business. My hon. friends to my left will agree with me there, if they do not often agree with me in other respects. I do not wish to be put upon record as opposing the building of an elevator at Prince Rupert if it is needed, but I am making these observations after having listened to the discussion for some time. The argument that the elevator at Prince Rupert gives a closer route to the Orient by 400 miles is of very little importance. You can carry freight from New York to Calcutta at the same rate as from New York to Bombay, although there is a difference of 2,000 miles, and many other instances of the same kind could be given. Once a cargo is on a ship, a matter of a few hundred miles one way or the other makes no difference in the rate at which the cargo is carried. The Minister of the Interior stated that the elevator at Edmonton justified itself. I am not sure as to that. I do not wish to dispute his word, but I do know that some of the internal elevators, the ones at Saskatoon and Moose Jaw, are stated by the report of the grain commission to have been of no particular use. Certainly we might well have allowed private enterprise to meet any demand for an expenditure of this kind. At any rate the sensible attitude would appear to have

been to build at first a small elevator at Prince Rupert and see if it could get any trade. The idea of building an elevator of a capacity of 1,300,000 bushels at Prince Rupert and then carrying the grain 250 miles further—

Mr. LOW: My hon. friend knows that to build an elevator of a capacity of five or six hundred thousand bushels would cost within a hundred thousand dollars of an elevator with a capacity of a million bushels.

Mr. MANION: I hardly agree with that. Before the war the prices of elevators were graded according to the number of bushels storage capacity. I admit that a small elevator might cost a little more in proportion, but I should not think it would be anything like what my hon. friend suggests. So it might have been much wiser for the government to make the experiment by building a much smaller elevator, and then if very little traffic went through, there would not have been the same loss. However, I presume the vote will go through and I suppose it is our duty to make the best of it. But it seems to me in these times of heavy expenditure in all lines we might well spend some of this money in the carrying out of better methods than those we are now following.

Mr. EVANS: The argument of the Minister of the Interior is not very good. The grain that blocked Vancouver two years ago will not be hauled from that area to Prince Rupert in any case.

Mr. STEWART (Argenteuil): Part of it will.

Mr. EVANS: Prince Rupert has been proved to be over 190 miles farther from that area than Vancouver now.

Mr. STEWART (Argenteuil): My hon. friend forgets that there is a portion of northern Alberta that is just as close to Prince Rupert as it is to Vancouver.

Mr. EVANS: It is questionable whether the grain from the Peace river country will find its easiest outlet to Prince Rupert in any case. According to the minister's own statement, the first time there is a heavy crop in Alberta the result will be a block at Vancouver. I should say that Port Mann would be the natural place to build an elevator to serve the Peace river valley and that part of Alberta which has been referred to.

Mr. STEWART (Argenteuil): I understand there is one under construction at Port Mann.

Mr. EVANS: Why build this elevator away out of the reach of the grain route? It will be nothing but an expense on the grain trade and will add to the load carried by an already over-burdened industry. With regard to the elevators at Saskatoon and Moose Jaw, I can state, I think with some authority, that when the Hudson Bay railway is built these two elevators will be used to their full capacity, but the Prince Rupert elevator will be nothing more than a white elephant for many years to come.

Mr. McBRIDE: It was not my intention to say anything on this question, but now that the Peace river district has been brought into the discussion it may not be out of place for me to say a few words. I can remember when the elevator was built at Vancouver. It was not used for quite a length of time—in fact I have often heard people call it "Stevens' white elephant"— but that elevator has proven its worth.

Mr. STEVENS: Showing the foresight of the member.

Mr. McBRIDE: It proved the foresight of the hon. member for Vancouver Centre in anticipating what ought to be done. If I were asked the question "Is the elevator at Prince Rupert before its time?" I would not want to say but that, perhaps, it is just a little previous. But when I look back at the effect the building of the elevator at Vancouver has had on that city I must say that I think Prince Rupert is entitled to consideration. Vancouver is not the only city on which the sun shines; there are other places entitled to elevators as well as Vancouver.

It has been said by one of the hon. members from Alberta that he has brought the Peace river district to the notice of the hon. Minister of Railways (Mr. Graham) a great number of times. I frankly admit that he has; but if the Minister of Railways would figure out the number of times I have called on him and advocated the opening up of the Peace river country I think he would admit that I have brought it up a good many times also. When I think of that vast empire up there in the northern portion of British Columbia I do not think any government is doing justice to the people of Canada as a whole in not giving that country an outlet; and I say that section of the Grand Trunk Pacific will never be on a paying basis until there is an outlet from the Peace river connecting up somewhere near Vanderhoof or Prince George. I have enough confidence in the Minister of Railways, to justify me in the belief that such an outlet will be built in the near future. An outlet has

been advocated for quite a number of years by way of Brûlé. I have always opposed that for the reason that the route from Brûlé to Grande Prairie would traverse barren country and a very expensive country to build a railway through, whereas the other route, for the greater part of the distance, would run through a good agricultural district. As to the cost of clearing the land in the Peace river country I heard one hon. gentleman say it would amount to $35 an acre. I would say that the cost of clearing land for the average homestead in the Peace river country would not be $2.50 an acre; in fact the greater part of the country is prairie land, with an amount of light timber on it. Taking all these matters into consideration, and recollecting what happened in the case of the Vancouver elevator, I think the government is justified in going on now with the construction of the elevator at Prince Rupert in that it has already been started.

Mr. KELLNER: Some little time ago I asked the minister the cost of the construction of the elevator leaving out the foundations. I think he looked it up and I should like to have the information.

Mr. LOW: Deducting the cost of the foundation, which amounts to $222,000, and of the trackage, trestle and fill, $60,000, from the estimated cost of $1,329,000 it would leave $1,047,000. I notice that my hon. friend from Vancouver Centre has another question to ask.

Mr. STEVENS: I should like to ask the minister if it is intended to equip this elevator with patent car dumps, and if so what are they called?

Mr. LOW: The three elevator unloading tracks will have capacity for spotting fifty-four cars at one time on through trackage. The unloading facilities will consist of six track unloading pits equipped with power shovels, and two receiving legs.

Mr. STEVENS: There are not to be any car dumps?

Mr. LOW: Not at present, no.

Mr. STEVENS: I understood they were provided for in the specifications.

Mr. LOW: No, I do not think car dumpers are provided for. However, I will look over the specifications.

Mr. STEVENS: I think we ought to know that. I understood it was provided for in the specifications. Surely the minister can tell me. There is a marked difference between these car dumps and power shovels.

Mr. LOW: No, there are no car dumpers.

[Mr. McBride.]

Mr. COOTE: Before the item passes I should like to say that I am tempted by the remarks of the Minister of the Interior to point out that we are liable to have a congestion on the Pacific coast any year when we get a big crop in Alberta . Two years ago it only took two weeks to fill the elevators at several of the shipping points in southern Alberta, and then we could not ship any more grain to Vancouver. I think the Minister of the Interior is probably right when he says that a congestion of the elevators at Vancouver will make grain go to Prince Rupert. Personally I think it is following an unnatural route in going to Prince Rupert. However, all I want to say is this: I think it is very poor policy on the part of the government to construct this elevator at Prince Rupert before building one at Port Mann. I think the elevator at Port Mann would be used immediately it was completed and to its fullest capacity, because even during last winter we could not ship our grain to Vancouver without a permit, the elevators there being full to capacity most of the time. I think this shows what the country suffers through the old party system of government which seems to compel the government to build elevators, and other public works, for political instead of economic reasons.

Mr. GARDINER: When the item for the building of the foundation of this elevator was under discussion last year I called the attention of the minister to the fact that in my opinion the structure would have no value until such time as an outlet was given from the Peace river district. I must confess that I supported the item last year, but I did so more or less on the general understanding that an outlet for the Peace river district would be provided within a reasonable period. I regret very much, Mr. Chairman, that we have no information before us at the present time that would lead us to believe that such an outlet will be given in the near future. I should like to support the remarks that have been made by more than one member to-night in reference to the situation at Port Mann. I think if this elevator had been built it would have been of more advantage to the farmers of western Canada. On the other hand the elevator at Prince Rupert could have been built when it really was required. However, in view of the fact that the government has decided otherwise I must content myself by saying that I regret this money seems to me to have been wasted for the time being.

Item agreed to.

Canada and the West Indies and South America, or both service or services between, $340,666.66.

Mr. LOW: The contract has been renewed with the Royal Mail Steam Packet Company until the 30th June, pending the conference which is to be held in the city of Ottawa. After that conference we will decide just what to do in connection with the subsidy.

Mr. GARLAND (Bow River): I have in mind the discussion which took place on this item last year, the year before and the year before that. It was pointed out to the minister then in charge that the boats under contract did not comply with the treaty regulations with the West Indies. They are old, out-of-date boats, some of them built over thirty-five years ago. They have whiskers on their joints and on their keels. Talk about the Canadian Government Merchant Marine; these boats are prehistoric dreams compared with the Canadian Government Merchant Marine. They have not the speed requirements, the passenger accommodation, the tonnage, the warehouse facilities or the cold storage facilities required. They have not a single thing provided for in the treaty, and yet the government persists in continuing the subsidies. Before this item is carried to-night, I would like the minister to give the committee some justification for the renewal of this subsidy to Pickford & Black.

Mr. LOW: One of the most important subjects to be discussed at the conference next June is the question of transportation, and until we have had that conference no change will be made in the service. There is no question that the boats that are in the service at the present time do not comply with the spirit of the contract, or the trade agreement made in 1920. After the conference we will be in a better position to decide upon a policy.

Mr. GARLAND (Bow River): I wish to reiterate my protest of previous years against the people of this country being asked to grant a subsidy to a privately owned, foreign steamship company, running in competition with our Canadian Government Merchant Marine. Is it any wonder we have deficits and difficulties? The hon. member for Cumberland (Mr. Logan) who made a trip to the West Indies made a magnificent speech in the House this session in connection with trade and commerce. I desire to say that I am anxious to see our trade develop, and I absolutely agree with my hon. friend in the conclusion he arrived at, that if Canada wishes to develop trade in the West Indies we can do it without spending a dollar on steamships, by simply taking down the trade barriers that exist between Canada and the West Indies, no matter what they do in that country. We do not grow articles in Canada which they grow down there, and we are not producing the things which they produce. Our manufacturers do not fear competition. Let us adopt the principle of reciprocal trade, if not free trade, and then it will not be necessary to subsidize privately owned steamship lines.

Mr. COOTE: What is the reason for paying this subsidy? Is it not because there is not sufficient traffic between the two countries?

Mr. LOW: I do not think it would be possible to have this service without the subsidy.

Mr. LUCAS: Is there not a number of merchant marine vessels plying on this trade now?

Mr. LOW: Two or three freight boats but no passenger boats.

Mr. COOTE: Are these mail packet boats specially fitted for passenger service?

Mr. LOW: Yes they are.

Mr. COOTE: How long has this government been paying a subsidy to these boats?

Mr. LOW: Since the end of 1913.

Mr. COOTE: Was there any subsidy paid before that time to any line of boats?

Mr. LOW: Yes, it amounted to a little over $100,000.

Mr. GARLAND (Bow River): Could the minister tell the House the total cost to date of the subsidy in order to maintain this West India service?

Mr. LOW: About $5,000,000 in the last thirty years.

Mr. STEVENS: Will the minister give us the items which go to make up this $340,000, a list of the steamships that are receiving the subvention, where they run and the period of their service?

Mr. LOW: There are four steamers, and they sail from St. John to Halifax, thence to Georgetown, British Guiana, every fourteen days, calling at the islands of Bermuda, St. Kitts, Antigua, Montserrat and Barbados, St. Vincent and Trinidad, and return from Georgetown to St. John, calling at all the islands in the reverse order.

Mr. STEVENS: Four ships?

Mr. LOW: Yes.

Mr. STEVENS: What ships are they?

Mr. LOW: The Chignecto, the Chaleur, the Chaudiere and the Teviot. The tonnages are: 4,744, 4,746, 4,019 and 3,270.

Mr. STEVENS: Gross tonnage?

Mr. LOW: Yes.

Mr. STEVENS: Very small boats.

Mr. LOW: Yes.

Mr. STEVENS: Do they comply with the terms of the trade agreement with the West Indies?

Mr. LOW: No.

Mr. STEVENS: Are we then in default on that agreement?

Mr. LOW: We are, so far as this service is concerned.

Mr. STEVENS: Would it not be better to turn this subsidy over to the Canadian Government Merchant Marine, and use the merchant marine ships?

Mr. LOW: I do not think we could use the boats as they are at present. It would require considerable expenditure on those boats to make them suitable for the service.

Mr. STEVENS: We have a number of Canadian Government Merchant Marine ships larger than these and some smaller tied up for three or four years. We have been paying a subsidy of $340,000 a year. We could have taken half of that subsidy and fitted up one or two of these ships at a time, put them into condition, then paid the balance of the subsidy and handed it back into our own treasury, instead of paying it out to these lines. It strikes me we should examine into the possibilities of utilizing the merchant marine ships on routes that we are now subsidizing, and the same argument applies to some of the other subventions to which we will come in a moment. I submit this to the government. I think it ought to be carefully studied, not only studied but acted upon, and thus save to the country a considerable sum. In the first place, the minister states that we are not fulfilling the treaty or trade arrangement with the West Indies. I want to say, however, at this point, that the trade arrangement with the West Indies has resulted in a substantial increase in trade which I think is of value to Canada and justifies the making of the agreement. But we ought to try to discharge our obligations in regard thereto. I know the minister has not listened to me, but what I have said I think is pertinent to the question, and I hope, although it is a vain hope, that he will read in Hansard to-morrow what I have said.

Mr. KENNEDY (Edmonton): What will the cost be of fitting up some of the merchant marine freight boats for carrying passengers?

Mr. LOW: I have no idea, but at the moment, they are not properly equipped.

Mr. KENNEDY (Edmonton): One year's subsidy would nearly build a new ship.

Mr. GARLAND (Bow River): The minister's last confession is an amazing one in view of the fact that as long ago as three years I asked for that very information, and we were put off with: "We will try to find it out for the hon. member," and "I will make a note of it and give the hon. member the information later." But they never bother about it. It is the same old farce of party politics again.

Mr. GARDINER: Did the Canadian Government Merchant Marine boats gain or lose money on this route last year?

Mr. LOW: I have no information on that subject in the Department of Trade and Commerce. No doubt the Minister of Railways and Canals (Mr. Graham), if he were in his seat, would be able to tell the hon. member.

Mr. GARDINER: To what time will this vote carry this service? To June only?

Mr. LOW: To the end of June of this year. It is on the basis of a twelve months' contract, and the contract has been renewed only to the end of June. If the same service is to be performed, or if after the conference it is decided to change the service and a larger vote is required for that, we shall have to bring it down in the supplementary estimates. The matter will be decided at the conference.

Mr. GARDINER: Would it not be just as well to let this item stand until the conference is held? What is the use of passing this item now and the minister having to come back to the House again with a supplementary estimate for the fulfilment of this service?

Mr. LOW: I do not think it makes a great deal of difference. We may have to increase this vote.

Mr. LUCAS: With whom is this conference being held in June?

Mr. LOW: With all the West Indian representatives who are expected here on the 19th June.

Mr. GARLAND (Bow River): I am alarmed at the threat of the minister, for I regard it as nothing but a threat that he will likely have to increase this item. I have pointed out the way in which he, in carrying out the pledge of his own party, can develop trade with the West Indies, and his own commissioner, the hon. member for Cumberland (Mr. Logan) has made the same statement in this House this session. I have no doubt that I am absolutely within all bounds of reason in supporting the attitude of the hon. member for Cumberland. I shall oppose with all my strength any increase in the subsidy to a privately owned steamship line. Let us use our own boats. Let us fit them up if that is necessary. Let us subsidize our own merchant marine instead of subsidizing individuals to put on privately-owned, especially foreign-owned boats in competition with our own vessels.

Mr. COOTE: What was the subsidy first paid to steamers between Canada and the West Indies?

Mr. LOW: I have not the amount of the first subsidy that was paid thirty years ago. I have only back to the year 1914, eleven years ago, when the subsidy was the same as it is at the present time.

Mr. COOTE: Apparently the subsidy grows as the traffic grows. I understand the idea of giving these subsidies was to develop trade which in time would become self supporting. Evidently that is not the policy. In this case, the bigger the trade, the bigger the subsidy! What is the minister's estimate of the amount he will have to pay in subsidies if he subsidizes privately-owned ships which will be of a nature that they will fulfil our treaty obligations with the West Indies?

Mr. LOW: About $535,000.

Mr. COOTE: If that is so, this seems to be almost as bad as the proposed Petersen contract. It would amount to about $140,000 per ship per annum, as I understood the minister to say that there were four ships. I do not believe the people of Canada would stand for this subsidy if they really realized what was going on. I did not realize before the size of the subsidy we were paying for each ship that was on this service. According to the statement made by the hon. member for Bow river (Mr. Garland), which the minister has apparently not attempted to deny, the boats are not up-to-date boats, they are obsolete and not fitted for the trade. I am very much opposed to passing this item with the information we have at the present time.

Mr. LOW: This is an agreement entered into in 1920 and we are simply attempting to carry out its terms. The last offer we had for a service that would meet the requirements of that agreement was $535,000.

Mr. KELLNER: The agreement that the minister speaks of now expires this June?

Mr. LOW: The contract with the Royal Mail Steam Packet Company is simply from year to year, but the trade agreement was for ten years.

Mr. WOODSWORTH: When does the present contract for this service expire?

Mr. LOW: At the end of June of this year.

Mr. WOODSWORTH: No contract is signed beyond June of this year?

Mr. LOW: No.

Mr. GARDINER: Do the Royal Mail Steam Packet Company that get this subsidy submit statements to show the business and the losses annually?

Mr. LOW: They do.

Mr. GARDINER: This subsidy that is paid to them annually would be sufficient, according to statements that I have received and that appear authoritative, to build a ship of almost 7,000 tons. Vessels on the route at present are of about 4,000 tons. It seems to be very foolish policy to continue paying a subsidy to private concerns that are running in competition, to some extent at least, with our merchant marine, when we might as well have Canada's own vessels in the trade, and it would appear to be about as cheap to build new vessels if that is necessary than to go on paying this steamship subsidy to other concerns.

Mr. COOTE: Has the minister consulted with officials of the government merchant marine as to how much it would cost to fit out some of the smaller merchant marine boats for this trade?

Mr. LOW: That whole question will be discussed at the conference. We have not consulted the merchant marine as to fitting up any of the present vessels. I am not sure whether any of them could be fitted up for passenger service.

Mr. WOODSWORTH: What amount will be necessary to pay this company now to bring it up to the end of the present contract?

Mr. LOW: One quarter of the vote.

Mr. GARDINER: What was the profit or loss of this concern on this route?

Mr. LOW: That is confidential.

Mr. GARDINER: Can the minister give not even a hint?

Mr. IRVINE: Is it the intention of the minister to renew this contract?

Mr. LOW: That question will be discussed at the conference and until the conference has been held it is impossible to say what will be done.

Mr. WARD: Has the government no policy at all on this question? The thing is becoming more amazing as we go on. The question of subsidies has been under discussion in this House during the last four years and in previous sessions we have had discussions similar to that which has taken place to-night. Surely the government must have realized that the point would be reached some day when they would have to face the matter more squarely than they have done in the past. The minister must have some policy up his sleeve.

Mr. LOW: In 1920, an agreement was entered into with the West Indies whereby we undertook to perform certain services. In the meantime we must at least attempt to carry out our part of it.

Mr. GARLAND (Bow River): The terms of the treaty have never been complied with by either the West Indies or Canada. Canada has not supplied the necessary service, and the Leeward, Windward and other islands have not only complained but have objected to paying their share of the cost. The minister's department has had protest after protest from the governments of the West Indies in connection with this matter, and the West Indies are defaulting now where the Canadian government defaulted in the past. How can the minister urge that it was to maintain the treaty that this thing had to be gone on with? A year or two ago he would have found the West Indies tickled to death to scrap the whole thing until they could get better boats on the route.

Mr. LOW: That is one of the reasons we have called the conference—in order to reach some decision.

[Mr. Low.]

Mr. GARLAND (Bow River): I would urge on the minister that at the conference, in the interests of Canada, in the interests of the merchant marine under his own department, he fights awfully shy of subsidies to private concerns. Let the minister use the boats of the Canadian Government merchant marine; let him improve those boats or even, as the hon. member for West Edmonton (Mr. Kennedy) has said, let him build boats.

Mr. IRVINE: Would it aid the government in coming to a decision on this matter if the committee merely voted as much as is required to meet the contracts now in force, and no more?

Mr. WOODSWORTH: I was about to move, along that line, that item 159 be reduced by the sum of $255,000. It seems to me that in view of the fact that this matter has been discussed for the last three years at least; that we have endeavoured again and again to have the policy of the government changed; that we believe it is utterly vicious in principle to subsidize a line to operate in competition with our own merchant marine; and in view of the fact also that the minister has informed us to-night that a conference has been called to discuss the whole matter, there is no better opportunity for us to call a halt and to register our protest against the continuance of the subsidy and to ask that the policy be completely changed.

Mr. GRAHAM: I would ask the committee to be fully seized of the attitude they are taking on this question. The difficulty is not at all in striking out a subsidy. As a matter of fact, we have certain treaty obligations with the West Indies, just as the British government has. These steamers are not competing with our marine so far as passenger traffic is concerned because the Canadian merchant marine has only a limited passenger capacity. We are now on the eve of an arrangement with the West Indies which we trust will be beneficial to both countries. Would it not then be unwise, by striking out the estimate, to abandon the method by which we are approximating this agreement with the West Indies? I do not say that we are fully living up to those treaty obligations, because we have had such an upheaval in the world that this among other things has in a measure been overlooked. But in a few weeks' time representatives of the West Indies will be coming to Canada to discuss the whole situation, and it may be that out of the conference there will evolve something in the direction of better steamship facilities with the West Indies which will not carry a

subsidy with it. But it would hardly have any beneficial effect, while we are negotiating with them, to cripple further the facilities which at present obtain in the service between Canada and the West Indies. With me, it is not a question of striking out a subsidy; I have no interest in the Pickford & Black steamships. But these steamers are assisting in carrying out our obligations, and until we arrive at some satisfactory agreement I do not think it would be wise to adopt such a course as is now suggested.

Mr. GARLAND (Bow River): I would suggest to the minister that probably he would be able to enter that conference in June with much freer hands and a clearer brain, and under much less influence—although I have no idea that he would be influenced—if he cut himself adrift from this subsidy before the conference takes place. It would be the best thing for the country if this were done. The minister raises the issue of treaty obligations; but as I pointed out, the treaty obligations have been broken on both sides, and the present state of affairs is a source of irritation between the West Indies and Canada. As regards passenger accommodation, no man who wants to make a business trip to the West Indies is going to waste his time on a Pickford & Black eleven-knot old wreck of a schooner; he will go to New York or Montreal and take a fast boat. Business men have no time to waste in winter tours. As a matter of fact, the whole idea in the subsidy is to provide some nice well-off gentleman with a pleasing manner of spending a winter holiday. It is a nice long tour. As the member for Cumberland indicated, it certainly takes a longer time than any member in this House could spare for business purposes.

Sir HENRY DRAYTON: Mr. Chairman, I have been out for some time and do not know exactly what has happened in my absence, but we have been discussing this matter at considerable length in the committee on Railways and Shipping, and the view has been pretty generally held that we ought to strengthen the Canadian Government Merchant Marine. Unfortunately we have no boats at the present time which are fitted for this work.

Mr. GARLAND (Bow River): Refrigerator space might be supplied.

Sir HENRY DRAYTON: It would take some time.

Mr. LUCAS: What in the estimation of the hon. member for West York (Sir Henry Drayton) would it cost to fix one of these boats for passenger traffic?

Sir HENRY DRAYTON: We have already fixed two of them and they are able to carry thirty-five passengers. They have two good cabins, the rest are very poor and very small. These boats are each about thirty-five hundred tons. None of the boats in the West Indian trade are properly fixed for cold storage. We happen to have on hand in connection with the Canadian Government Merchant Marine about $1,200,000 or $1,400,000, representing insurance which was paid upon some of the boats that were lost. This fund is in the hands of trustees, and the committee thought that the best thing to do was to get authority to use the money in providing boats to look after both passenger and freight business, but this would take some little time. The people on the islands, rightly or wrongly, think there should be a passenger service. I do not think we stressed the tourist business, I am frank in saying that; but on the other hand a great asset of the islands lies in their tourist business, and they are inclined to insist on it. We are doing fairly well with them in trade. At one time eighty-five per cent of the flour sold in Jamaica was American; as a result of the agreement of 1919—the minister will correct me if I am wrong—seventy-five per cent of the flour now sold there is Canadian. I think we should do nothing to disturb the situation until we get together. We are in default now. We want to get further concessions in their markets, and I think we are perfectly willing to give them further concessions in ours, but I do not think in the meantime we should give them any added cause of grievance in connection with this service.

Mr. COOTE: Could the minister give us any reason why we should pay a subsidy for passenger service between here and the West Indies? To me it seems unreasonable.

Mr. LOW: The subsidy is to cover passenger, freight and mail services, not passenger service alone.

Mr. COOTE: Is that all the reason the minister can give us why we should pay a subsidy for passenger service?

Mr. LOW: It would be impossible to develop trade without this subsidized line. As I understand it, the agreement was entered into in 1920 because it was necessary to provide a transportation service. Otherwise the islands would not have entered into any arrangement with us.

Mr. COOTE: Does the minister mean that the islands would not have entered into the agreement unless we agreed to provide a passenger service?

Mr. LOW: The passenger service is part of the agreement.

Mr. COOTE: What I am trying to get at is, why we agreed to pay a subsidy for a passenger service. I may not have made myself clear to the minister, but that is the information I wish to get from him.

Mr. LOW: The subsidy is more particularly to cover freight service.

Mr. COOTE: Yes; but when we suggest that the merchant marine might be used, the reply of the minister is that they have not any passenger accommodation. Now I ask why should we enter into an agreement to subsidize a passenger service?

Sir HENRY DRAYTON: Mr. Chairman, the hon. gentleman was not on the committee and did not hear Sir Henry Thornton. He was pressed why we could not do all this at once. His view was that many of our boats were not suitable for the business, and that those which were suitable were already doing useful work in the Pacific coastal trade and in trade with the Orient and Australia. He wanted to be given time to look into the matter with a view to seeing just what he could do, and he was assured of the committee's full support to go ahead, but so far we have not heard anything from him. I understand, however, that the cabinet are to take the whole matter up this summer with representatives of the Canadian Government Merchant Marine and of the islands.

Mr. IRVINE: How much trade does the minister think we would have to develop in order to return a profit to the Canadian people of $340,000, the amount of the subsidy?

Mr. LOW: I am sure my hon. friend is in a position to make that estimate just as well as I am.

Mr. IRVINE: Have we arrived there now?

Mr. EVANS: The minister (Mr. Low) has told us that this contract ends in June. Will the Minister of Railways (Mr. Graham) inform us in what way we are bound by treaty with the West Indies to make it imperative that we pass this full vote?

Mr. GRAHAM: I did not say it was imperative, for this parliament can do anything it likes; but as a matter of fact there is a treaty between the West Indies and Canada providing for certain passenger and freight sailings at regular intervals.

Mr. EVANS: But that ends in June, does it not?

Mr. GRAHAM: No, the trade agreement does not end in June; but, as pointed out by the hon. member for Bow River (Mr. Garland) the carrying out of this treaty obligation has become unsatisfactory to both parties. We believe that we can develop a much greater trade with the West Indies by sitting down around a table and talking over frankly with their representatives the whole situation. As the member for West York (Sir Henry Drayton) pointed out, it would not be wise—and that is my opinion—at the present time to do something else that would, to put it mildly, irritate the West Indian people when we are on the very eve of having a conference with them with the object of making a new arrangement that will be advantageous to us both. There is no question in the world that one of the first things to come up at that conference will be better steamship connection between the West Indies and Canada. While we are at the present time, and have been for years, carrying on this subsidized service, I think, even though we perhaps do not approve of this subsidy —and I agree largely with the statement that the ships in their present condition are not worthy of a very great subsidy—yet we have had this service running for some years, and right within a few weeks of the time of our meeting the West Indian representatives to discuss this whole situation, my humble opinion is that it would be unwise to do anything that would stir up any difficulty on this question of transportation, which to my mind, will be even paramount in our discussion to the question of tariff or anything of that kind.

Mr. SPENCE: While I agree with the principle of getting away from subsidies, I am afraid I cannot vote for the amendment. I know that a number of people are coming here from all parts of Canada to the conference on the 19th, people who are well posted, who know what they want, and who will ask for a better class of boats than we have today. The present boats are not equipped with refrigeration or any kind of cooling process and they are entirely inadequate to build up the trade in print between Canada and these countries. I think we had better wait until this conference takes place.

Mr. GARLAND (Bow River): I think both the hon. member for Parkdale and the Min-

ister of Railways have not understood the amendment. The amendment does not affect the contract; it does not cut out the treaty; all it does is to make things safe for the government when the conference is called so that the government can go into the conference without its hands tied by any contract. We are allowing enough in the vote, according to the minister's own statement, to provide for the fulfilling of the contract to the end of June. What more can we want?

Sir HENRY DRAYTON: I am against these votes as a rule, but I am interested in this West Indian business. Here is the trouble we are in: Suppose we had what the committee on National Railways and Shipping wanted—all this business with the Canadian National; Sir Henry Thornton would say that the Canadian National should have exactly that subsidy, or more; that it is unfair to ask a publicly operated service to carry on where a private service cannot make a profit. I know what a good market it is for us down there if we can really get hold of it, and what a splendid thing it would be if we could get a direct service between Canada and these countries and from the United Fruit Company of the United States. It would be a splendid thing for us if we could get those fruits without that restriction. These people are willing to do all their business with us but they cannot do it so long as the great white fleet gives them a service which is far ahead of anything we are giving them. And Sir Henry Thornton, if he is going to give them anything like an adequate service, will want this subsidy.

Mr. COOTE: I would point out to the hon. member for West York that we are all interested in this contract. We are interested now to the extent of $5,000,000. The minister admits that the boats now in the service, which are receiving the subsidy, are obsolete. It is right that we should be interested in it, and if we do not take some steps to get the cabinet interested in it I suppose they will go on paying this subsidy forever and the people of Canada will go on licking stamps to put on their notes. We are preaching economy to the people; let us not set them a bad example by failing to practise it ourselves. I wish to ask the minister with whom this contract is made and to whom this money is being paid at present.

Mr. LOW: The Royal Mail Steam Packet Company.

Amendment (Mr. Woodsworth) negatived; Yeas, 13; Nays, 56.

The CHAIRMAN: I declare the item carried, same vote.

Item agreed to.

Canada and South Africa, steam service between, $100,000.

Mr. COOTE: How many ships are in this service?

Mr. LOW: The subsidy is $25,000 less than last year. The contract is with the Elder Dempster Company. It is for a monthly service during the first fifteen days of each month, sailing from Montreal and calling at Quebec. During the months of September, October and November, the calls are at Halifax, but during the winter months the sailings are from St. John, calling at Halifax.

Mr. COOTE: How many millions have been spent on this service since it was inaugurated?

Mr. LOW: I am sorry I have not the figures before me. I may say that as a result of this arrangement we supply about 75 per cent of the paper market of South Africa, and during the last ten years there has been little or no increase in the rates. Exports to South Africa in 1923 amounted to $5,583,390; 1924, $8,019,853; for the fiscal year ended March 31, 1925, $9,276,502, an increase of almost 100 per cent in the last two years.

Mr. COOTE: Are we still paying the same subsidy?

Mr. LOW: No. The subsidy was reduced last year and again this year, and we hope gradually to wipe it out.

Mr. COOTE: Are there any government merchant marine boats on this route?

Mr. LOW: No.

Mr. COOTE: Are these the only boats trading between Canada and South Africa?

Mr. LOW: Yes.

Mr. IRVINE: It appears to me that according to this principle or lack of principle, of subsidizing, that the Canadian people are being taxed to ship goods to other countries, to the extent that they are paying more than really the whole traffic is worth in some instances, I should like to ask the minister how long he thinks Canada can be taxed to ship goods to other countries?

Mr. LOW: In selling these goods we create employment in this country, and I think the spending of $100,000 to increase our exports by 100 per cent is a good investment.

Mr. IRVINE: Will the minister say that the trade to South Africa has created enough extra employment in Canada to pay for the amount of the taxes required for the subsidy?

Mr. LOW: I think so.

Mr. IRVINE: Are you sure of that? What are the figures?

The CHAIRMAN: Shall the item carry?

Mr. COOTE: I should like to ask the minister if he would mind giving me the figures I asked him for as to the total amount that has been paid out on this service?

Mr. LOW: I shall be glad to get that information for my hon. friend.

Sir HENRY DRAYTON: I would suggest that this is an appropriate time to adjourn.

Progress reported.

On motion of Mr. Mackenzie King the House adjourned at 11.55 p.m.

Tuesday, May 26, 1925

The House met at three o'clock.

PRIVATE BILLS—FEES REMITTED

Hon. H. B. McGIVERIN (Ottawa) presented the sixth report of the select standing committee on Miscellaneous Private Bills.

Mr. R. B. HANSON (York-Sunbury) moved:

That in accordance with the recommendation contained in the sixth report of the select standing committee on Miscellaneous Private Bills the additional charge paid on Bill No. 123, letter H3 of the Senate, intituled An Act for Relief of Ruth Dorothy Rutenberg, be refunded.

Hon. J. A. ROBB (Acting Minister of Finance): Before that resolution passes, I should like to direct the attention of the House and the committees to the procedure we have followed for some years in regard to remitting certain charges. It seems to me that the committee now having under consideration the rules of the House might very well consider whether or not it is in the public interest, when parties come before parliament and take up the time of the House and incur expenses, that we should remit the charges. It seems to me these parties should be compelled to pay, as others do.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): The question is very important, and I do not doubt that by this time it involves a large amount of money. It would not occur to me to be a question for the consideration of the committee on Rules, but rather a question for the House proper, aside altogether from the committee on Rules. It is not a question of the rules of the House.

Mr. ROBB: It is internal economy.

Mr. McGIVERIN: As chairman of the committee which unanimously passed this report, I desire to say a word. This is in regard to a fine for not having presented the petition for divorce in proper form. The member of the House presented the petition for a bill, but the Christian name of the petitioner was spelled incorrectly, it had to be sent back to be corrected, and in the meantime it was too late to present it to the House. The committee did not think it was fair that a mistake of that kind should bar the application. There are two other questions which are somewhat similar—a mistake on the part of counsel and a mistake on the part of the member presenting the petition. I state these facts by way of explaining the attitude of the committee.

Motion agreed to.

Mr. S. W. JACOBS (George Etienne Cartier) moved:

That, in accordance with the recommendation contained in the sixth report of the select standing committee on Miscellaneous Private Bills, the additional charge paid on Bill No. 126, for the relief of Mollie Weiner, be refunded.

Hon. J. A. ROBB (Acting Minister of Finance): I desire again to direct to the attention of the House and more particularly the Internal Economy committee the same objection to this remission as I have just offered to the previous one. I think the time has come when we should determine how long parliament is going to spend attempting to put through legislation and then refund the costs.

Motion agreed to.

CRIMINAL CODE AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved for leave to introduce Bill No. 147, to amend the Criminal Code.

He said: This bill contains some amendments in the procedure which have been suggested by the provinces. One of the main provisions of the bill is in regard to the printing, posting and publishing of intelligence on horse races. That is the amendment I stated some time ago the government would introduce this session. Another important section of the bill gives the attorney general the right to appeal. Some years ago amendments were enacted giving the prisoner the

right of appeal which he did not formerly possess, but parliament took away from the crown the right of appeal which it had before that time. This is to restore the right of the crown to appeal.

Motion agreed to and bill read the first time.

DOMINION ELECTIONS ACT AMENDMENT

Hon. A. B. COPP (Secretary of State) moved for leave to introduce Bill No. 148 to amend the Dominion Elections Act.

He said: Hon. gentlemen will remember that shortly after the last Dominion election the chief electoral officer presented a report to His Honour the Speaker under section 74 of the act, mentioning some of the difficulties encountered in carrying on the election under the act, and it was suggested that a number of amendments should be made. This was given consideration, and the amendments we are presenting to the House to-day contain the suggestions made by the chief electoral officer for the better administration of the act, and to reduce to a minimum the difficulties experienced in the last election. There are some thirty sections in the amended bill. Under the old act registration was granted in all places having a population of 1,000 or upwards. That was amended in 1921, increasing the number from 1,000 to 2,500 before registration could be obtained. That figure was afterwards increased, and made 5,000. Another amendment was that urban voters' lists were required to be printed, and in order to save time it was thought advisable to include mimeographing as well as printing of these lists if thought necessary.

Another amendment is with regard to returning officers. Some returning officers when appointed refuse to act and do not take the initial steps towards appointing their election clerks in order to carry on the election as speedily as possible. This amendment makes it imperative upon the returning officer to take at least the initial steps so as not to delay the conduct of an election. In one or two constituencies there was barely time to carry on the election after the returning officer refused to act. Another provision is to overcome as far as possible the difficulty experienced in preparing voters' lists in some of the provinces, particularly in regard to accepting provincial voters' lists as the basis of the Dominion list. The explanation is somewhat lengthy; it will all be found in the report of the chief electoral officer.

Another change is to provide a more simple method of removing the names of dead and disqualified voters from preliminary lists in urban polling divisions. Another provides for earlier delivery of lists to candidates; another that where the urban registrar makes up the index books containing lists of voters, he shall make an extra copy for the printer so as to save time in that regard.

Another change is in regard to cases where it is necessary to substitute a returning officer at the last moment on account of illness or otherwise. Formerly it was required that the oath of office must be taken before a judge of a court of record. It was found necessary in some instances to go a considerable distance in order to do this. This has been changed so that the oath can be taken before a magistrate, a justice of the peace or a notary public to overcome that difficulty. There are a number of just such amendments as that in the bill. We are anxious to get as complete, accurate and ideal an election act as is possible, and on second reading we intend to refer the bill to the committee on Privileges and Elections. The Chief Electoral Officer who had the experience of conducting the last election will be able to go before that committee and explain the changes, and the committee can study the bill better than can be done here.

Mr. IRVINE: Has the minister in these amendments made a provision which will permit trade unions to make contributions to election funds?

Mr. COPP: I do not think there is any change suggested in that respect.

Mr. IRVINE: Has the minister any intention of inserting such a provision?

Mr. MEIGHEN: Are all the amendments suggested by the Chief Electoral Officer included in the bill?

Mr. COPP: I do not think quite all. The majority of them are. One other amendment to which I intended to refer is not in the recommendations; it is to reduce the time between nomination and polling from fourteen days to seven days.

Mr. MEIGHEN: Are there some amendments not recommended by the Chief Electoral Officer?

Mr. COPP: Yes. There is one section in regard to advertisements, and so on, as follows:

Every advertisement, article, notice, illustration or cartoon appearing in a newspaper, magazine, pamphlet, leaflet or other publication (and having reference to an election) if printed at the expense of any individual,

firm, committee, association, society, or corporation other than the individual, firm, committee, association, society or corporation which is the printer or publisher thereof, shall disclose that such advertisement, article, notice, illustration or cartoon has been or is being paid for by such individual, firm, committee, association, society or corporation and shall bear the name and address of the person or persons paying, or agreeing to pay, for the publication thereof.

The provision as regards reducing the time between nomination and polling day from fourteen days to seven days was not recommended by the Chief Electoral Officer, but he was consulted about it and he was quite agreeable to it.

Motion agreed to and bill read the first time.

DOMINION ELECTIONS ACT AMENDMENT

SINGLE ALTERNATIVE VOTE

Hon. ERNEST LAPOINTE (Minister of Justice) moved for leave to introduce Bill No. 149, to amend the Dominion Elections Act —single alternative vote.

Some hon. MEMBERS: Explain.

Mr. LAPOINTE: The purpose of this bill is to make in the Dominion Elections Act the necessary amendments to provide for the single alternative vote in single member constituencies where three or more candidates have been nominated.

Mr. MEIGHEN: Why is this amendment to the Dominion Elections Act separate from the other amendments?

Mr. LAPOINTE: I do not know of any special reason except that last year I was entrusted with the duty of introducing this bill and the government, perhaps, thought I would not take it well if it was taken away from me.

Mr. IRVINE: Does the minister make provision for proportional representation in this bill?

Mr. LAPOINTE: No.

Motion agreed to and bill read the first time.

BANKRUPTCY ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the first reading of Bill No. 146, from the Senate, to amend the Bankruptcy Act.

He said: The main purpose of this bill, which has already passed the Senate, is to carry out the recommendation of the Banking and Commerce committee last year by inserting an amendment which has been strongly urged, especially by my hon. friends from Saskatchewan and Alberta, to provide for the administration of estates of insolvent farmers by a government officer who shall be paid by the province rather than out of the estate; also that insolvent farmers shall be able to obtain their discharge notwithstanding the fact that they have not kept books or that they have carried on farming after they knew themselves to be insolvent. The other amendments are on mere questions of procedure and changes have been suggested by judges and officers dealing with the Bankruptcy Act.

Mr. MEIGHEN: Will the minister explain how this parliament can enable a province to do anything?

Mr. LAPOINTE: This question was considered last year by the Banking and Commerce committee, and if my right hon. friend will read the amendments I think he will find that we have the power.

(1) Notwithstanding anything contained in this act, if the Lieutenant Governor in Council of any province authorizes any officer of the provincial government to act as custodian and trustee under this act, the official receiver shall, in the case of any assignment by a person engaged solely in farming or the tillage of the soil, appoint such officer as custodian.

(2) Any officer so appointed to the office of custodian by the official receiver shall thereupon, in addition to such office, be and be deemed to be the authorized trustee as if appointed under subsection (1) of section 15 of this act, and shall continue to be the authorized trustee until properly removed under subsection (2) of the said section 15.

(3) In case any such provincial officer is appointed custodian and trustee, he shall not be entitled under this act to be paid any remuneration as custodian or trustee nor any of the costs enumerated as costs of custodian in part III of the general rules.

This is really a special provision but I do not think that this parliament is relinquishing any one of its powers; we are merely empowering the official receiver to appoint the provincial officer designated by the provincial government.

Mr. GARLAND (Bow River): Does this bill stand now in the same form as when it was introduced in the Senate in the first instance?

Mr. LAPOINTE: I think so.

Mr. GARLAND (Bow River): Were any amendments moved to the original bill in the Senate?

Mr. LAPOINTE: I do not know; I received the bill from the Senate only to-day. So far as I can see however there is no material change although there may be some difference somewhere in the phraseology.

Motion agreed to and bill read the first time.

INQUIRIES FOR RETURNS

SOLDIER SETTLEMENT BOARD

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): On March 30 a number of questions asked regarding the Soldier Settlement Board were passed as orders for returns. So far these returns have not been brought down. Is there any possibility of their being submitted shortly?

Hon. J. A. ROBB (Minister of Immigration and Colonization): I shall have the matter looked into.

ST. IGNACE POSTMASTER; MR. ALBERT E. ROBICHAUD

On the Orders of the Day:

Mr. ALEXANDRE J. DOUCET (Kent, N.B.): On April 27 last two orders of this House were passed asking, respectively, for correspondence and documents relating to the appointment of the new postmaster at St. Ignace, electoral district of Kent, New Brunswick, and for a copy of all correspondence and other documents received by the Post Office department relating to the dismissal of Albert E. Robichaud, as postmaster of Lameque, Gloucester county, New Brunswick. I should be glad to have these documents brought down as speedily as possible.

Hon. CHARLES MURPHY (Postmaster General): My impression is that these returns have been brought down, but if not I will make inquiries and see that they are brought down at once.

PRIVILEGE—Mr. JACOBS

On the Orders of the Day:

Mr. S. W. JACOBS (George Etienne Cartier): When the estimate was under consideration last night for the construction of an elevator at Prince Rupert the leader of the opposition (Mr. Meighen), as I see by to-day's Hansard, credited me with having given an interview while in Winnipeg to the effect that the election of the Liberal candidate in Prince Rupert would cost the exact amount of this elevator, or some $1,331,000. I wish to say that I never gave any such interview, and if such an interview was published it was fabricated from whole cloth. I may say that the last time I gave an interview in Winnipeg was in 1922, about three years ago, long I fancy before this question of the elevator at Prince Rupert was mooted; and although I claim descent from a race of prophets I must disclaim the gift of foretelling an incident three years before it occurs. That gift has not been bestowed upon me, and in that respect I must admit being in the same position as the Philistines and other lesser breeds by whom I am surrounded.

Mr. MEIGHEN: I cannot recall my exact words; they may not have been accurate. What I meant to say was that the standard exemplified in the vote was the standard lauded by the hon. member for George Etienne Cartier (Mr. Jacobs) in an interview in Winnipeg in which he referred to the grounds, causes and principles underlying appointments to the National Railways.

Mr. JACOBS: I have declared myself opposed to public ownership, and I am still.

BUSINESS OF THE HOUSE

On the Orders of the Day:

Mr. W. G. McQUARRIE (New Westminster): I would direct the attention of the Prime Minister (Mr. Mackenzie King) to a resolution standing in my name on page 24 of the order paper, relating to oriental immigration. May I ask the right hon. gentleman if he will facilitate the discussion of this resolution so that the matter may be considered during the present session? I need not refer to the importance of the subject. In 1922—

Mr. DEPUTY SPEAKER: The hon. member has stated his question; he may not go further.

Right Hon. W. L. MACKENZIE KING (Prime Minister): The request is one that is similar to others which at least a dozen hon. gentlemen have made. I do not think it will be possible to make an exception in my hon. friend's case, much as I should like to accommodate him.

RAILWAY ACT AMENDMENT

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of Bill No. 142, to amend the Railway Act, 1919.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Obtaining transportation of liquor by false billing, etc.

Mr. CARROLL: What particular lines of railway in Canada would this bill apply to?

Mr. GRAHAM: I imagine it would apply to all railways which are subject to the Dominion Railway Act. The difficulty which

has arisen, particularly during the last two or three years, has grown to such proportions that the customs authorities of the United States have practically notified the Canadian railway companies that unless they take drastic steps to prevent false billing it will become necessary to examine every freight car that crosses the border to ascertain whether it contains the goods specified in the bills. Occasionally we read of certain freight cars from Canada being found in Buffalo and elsewhere on the other side of the line containing liquor concealed with a certain quantity of the goods which the car is supposed to contain; but recently a car came from the United States to a certain city in Canada loaded with clay, and by a peculiar coincidence this car was lined up beside another car, a certain amount of the clay was taken out and the space filled with intoxicating liquor, the car then being returned to the point in the States from which it first came. It is a serious matter to the legitimate trade of Canada that it should be threatened with interference merely because some people, wishing to violate the law, indulge in false billing.

Mr. CARROLL: Would it be possible, for the purpose of this bill, to declare all railways in Canada to be for the general advantage of Canada?

Mr. MEIGHEN: A railway does not need to be a Dominion railway within the meaning of the clause referred to by the hon. member to have this legislation applied to it. The bill makes a certain thing an offence. It does not matter whether that offence is committed with respect to a Dominion, a provincial or a private road, the offence would be just the same and the provisions of this bill would apply everywhere.

Mr. CARROLL: I have in mind that in the Railway Act all railways that are in any way touched by it are declared to be railways for the general advantage of Canada, and so come under the jurisdiction of the railway commission. I should think that only those railways which are so designated would be affected by this bill.

Mr. MEIGHEN: If there is a clause in the Railway Act which renders all its provisions applicable only to Dominion railways that would be the case. Then the minister would gain his object by making this an amendment to the criminal code, where I should think it ought to be.

Mr. JACOBS: Does it not become part of the criminal code as soon as it is passed into law, whether it be found in the Railway Act, or not?

[Mr. Graham.]

Mr. MEIGHEN: A lot of provisions in other acts are not in the code. I think this bill in the first place should be dealt with as an amendment to the criminal code.

Mr. GRAHAM: This bill of course was drafted by the solicitors of the railways for presentation by me to the House as an amendment to the Railway Act. I suppose its legal effect will be the same whether we pass it in this form or as an amendment to the criminal code.

Mr. MEIGHEN: It will be the same unless the hon. member (Mr. Carroll) is right in supposing that the Railway Act contains a clause making all its provisions applicable only to Dominion railways.

Mr. GRAHAM: I do not think that is the case.

Mr. MEIGHEN: I am not so sure.

Mr. CARROLL: I think there is a clause in the Railway Act making it applicable only to such railways as are subject to the jurisdiction of the railway commission. There are certain local railways not under the jurisdiction of that commission.

Mr. BOYS: I think the provision of this bill should be made applicable to boat companies as well as to railway companies, for I understand the former are the greatest offenders. The law ought to be extended to cover shipments by water as well as by rail.

Mr. GRAHAM: Going into the matter in a broader way, perhaps that might be the case, but the object of this bill is merely to make it very difficult for railway employees or other persons to falsely bill railway traffic. It is this false billing to which the United States customs authorities have so strongly objected, and the two larger railways to which I have referred are anxious to meet the requirements of those authorities so that legitimate international traffic will not be interfered with.

Mr. MEIGHEN: The point raised by the hon. member for Cape Breton South and Richmond (Mr. Carroll) is a very important one. I fancy he is right, at least to this extent, that the Dominion Railway Act would not apply, say, to the Temiskaming and Northern Ontario railway.

Mr. GRAHAM: No.

Mr. MEIGHEN: There would be a general clause excepting it. Consequently if the minister's legislation goes through as it is we will have one rule as to Dominion railways and another rule as to the

Temiskaming and Northern Ontario and other lines outside the jurisdiction of the railway commission, and on the latter you could ship anything you wanted to even including "4.4." So it would be an anomalous state of the law which we should not be guilty of creating. Besides, as intimated by the hon. member to my left (Mr. Caldwell), while it is true the authority of the railway commission extends to the Intercolonial railway, yet it is very doubtful if the provisions of the Railway Act are such as would bring this clause into operation as applied to the Intercolonial; it certainly would not bring it into operation as applied to the Temiskaming and Northern Ontario. I think that is a sufficient objection to condemn the measure, and I would advise the minister to have the committee rise in order that he may take up with the Justice department the wisdom of re-introducing this measure as an amendment to the criminal code.

Mr. GRAHAM: I have no objection to that. Unless it were an amendment to the criminal code I quite see the weakness of attempting by this means to reach a provincially-owned road. An amendment to the criminal code would, I presume, apply to all railways, no matter under what jurisdiction they may be. Therefore I move that the committee rise and report progress. In the meantime I will consult the Justice department.

Progress reported.

TORONTO TERMINALS RAILWAY COMPANY ACT

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of Bill No. 143, respecting the Toronto Terminals Railway Company.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Canadian Pacific Railway Company may guarantee principal and interest of one-half of bonds and securities, or issue stock to acquire bonds, etc.

Mr. GRAHAM: The object of this bill was placed before the House on a previous occasion. I think the explanatory note gives all the information required. The Canadian Pacific Railway Company, who join with the Canadian National Railway Company in what is known as the Toronto Terminals Railway Company, want a change made for the extension of their borrowing powers in connection with the Toronto viaduct. The bill is drawn by the solicitor of the Canadian Pacific Railway Company. The explanatory note reads as follows:

> The purpose of this Bill is to make the procedure for the issue of consolidated debenture stock uniform with the procedure prescribed by previous specials acts relating to the company, and to enable the vote of the shareholders to be taken at an annual meeting.

That, perhaps, is the chief amendment.

> Subsection two is amended by striking out the words "in lieu of such guarantee" in the fourth line thereof, and substituting therefor the underlined words.
>
> The words "in lieu of such guarantee" are struck out as being superfluous, and to make the sentence simpler. Their omission has no other significance.

Mr. MEIGHEN: The part underlined seems to be an addition.

Mr. GRAHAM: Yes, that is new.

Mr. MEIGHEN: It refers to the bonds issued by the Toronto Terminals Railway Company, one-half of which are to be guaranteed by the Canadian Pacific Railway Company. Would the minister tell us what would have been the procedure of the Canadian Pacific to provide that guarantee had they not applied for this amendment? What is the difference between this procedure and the old?

Mr. GRAHAM: If I remember correctly, under the old act they had to call a special meeting of the shareholders for the purpose. This enables them to take the voice of the shareholders at the regular annual meeting.

Mr. MEIGHEN: Could it be that they have already done that? I think the annual meeting was held not long ago. If they have, there should be a clause ratifying what is done. The minister may know; I do not.

Mr. GRAHAM: I have not that information. The solicitor of the Canadian Pacific presented this amendment to me, carefully drawn, as meeting the requirements of the situation from the point of view of the Canadian Pacific.

Mr. MEIGHEN: My point is covered by the last sentence, which provides that this subsection shall be deemed to have come into force on December 1, 1924.

Mr. GRAHAM: That covers it.

Section agreed to.

Bill reported, read the third time and passed.

LOAN COMPANIES ACT, 1914, AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 144, to amend the Loan Companies Act, 1914.

Motion agreed to and bill read the second time.

Mr. ROBB: If the House prefers, we might refer the bill to the committee on Banking and Commerce.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I would like to go over the bill before it goes to any committee. The way it reads to me—I have not had a chance to read it very carefully—it looks as if it was another step in the long process of putting the government in charge of everybody. It seems to me it should be reviewed by the House now while we have time rather than be referred to a committee and landed in on us when we have not time.

The House went into committee on the bill, Mr. Gordon in the chair.

On section 1—Companies heretofore incorporated by act of parliament.

Mr. ROBB: If my right hon. friend desires some time to consider the bill, I will move that the committee report progress.

Mr. MEIGHEN: I would like the minister to give us an explanation of each clause now, so that we can get the full purport of it.

Mr. ROBB: Section 1. The effect of this section is to make applicable to companies incorporated before 1914 the section of the act requiring the company to forward to the shareholders, at least ten days before the date of the annual general meeting, a copy of the annual statement to be presented at the meeting. It has been brought to the attention of the department that at least one company operating under the act has failed to follow this practice.

Section 2. The department has had difficulty in obtaining from some companies certified copies of their by-laws, and there is no obligation upon the companies to file amendments to the by-laws with the department. Complaints have also been made by shareholders of some companies that they have been unable to obtain from the management copies of the companies' by-laws with all amendments thereto. It is obvious that the directors of a company have it in their power to amend the by-laws of the company, which amendments may be withheld from the shareholders of the company for any period up to a year, a very effective instrument in resisting legitimate demands of shareholders for information and remedy of abuses. The section proposed will require the company to file a certified copy of its by-laws with the superintendent on request and to similarly file all amendments within one month after the same become effective.

Section 3. This section is designed to require all companies operating under the act to hold a license from the minister, such license being renewable from year to year on the 31st day of March.

Mr. MEIGHEN: I see the main purpose: it is to bring another list of companies under the supervision of the Department of Finance. What is the minister's general attitude toward this whole policy? With the amendments he put through in 1922, and especially with these if they become law, does the minister think that in case of the failure of a loan company this parliament can ever avoid now making good any losses? Just to the degree to which we get our fingers into the pie, to that degree we render liable the taxpayers of Canada for anything that may happen to any concern that we exercise supervision over. Especially as respects these loan companies, insurance companies and the like, we have been under pressure of officials who always want to extend the scope of their own authority, and particularly the personnel and organization under their control. We have been intruding here, intruding there; getting up upon a pedestal and telling everybody what he has to do; watching the interests of this person, that person and the other; exercising a sort of paternal solicitude over Scotch bondholders, and so on. I do not know where we are going to land. We might just about as well run the companies; in fact, we are. At all events, we are getting into this position: While others may have posts from which emolument may come, while others may have investments from which returns and profits may come, in case of loss the whole thing is back on us. All we are doing is taking responsibility, and I do not think we are getting much thanks for the alleged supervision that we are exercising. I am quite aware that a great many of the companies like this because it always harasses the intruder, the new concern that comes in to compete, and consequently the old concern does not frown upon the legislation at all; but I have seen instances of the operation of this act that struck me as grossly, I almost said impudently, intrusive, and that could gain no good at all; the whole consequence of which would be that if failure comes we will have to pay the piper, we will be held responsible by others who look to us for protection when really they ought look to themselves.

I would ask the minister what his general attitude is, because if it is represented by

this act, and if I have the correct interpretation of it, illuminated to some extent by his own statement, he is only extending its scope again; he is just going another step. If the minister yields to the pressure of his officials, he will keep on going, for I never yet knew a sphere of influence that an official was not ready to step into, and I have rarely met an official who did not feel he was capable of a far bigger job and of earning a far higher salary than he was getting. Is it not really this influence the minister is yielding to?

Mr. ROBB: The observations of my right hon. friend have confirmed my belief that the better method of dealing with this bill would be to send it to the committee of Banking and Commerce—

Mr. MEIGHEN: Where I shall not be present.

Mr. ROBB: I am prepared to concede my place on the committee to my right hon. friend if he wants to be present. I think it is well that the members should have the opportunity of bringing before them the Superintendent of Insurance, and I am satisfied he will be able to give them good reason.

Mr. MEIGHEN: He is an artist at that.

Mr. ROBB: He is an excellent officer. He was appointed by the government of which my right hon. friend was a supporter.

Mr. MEIGHEN: I know that. I do not doubt his ability at all.

Mr. ROBB: But my right hon. friend is right to a degree in his observations. The Superintendent of Insurance, however, is only carrying out the representations made to him by shareholders who have their money in some of these companies and are unable to get the reports which they desire. I think it would be fairest to refer this to the Banking and Commerce committee, which can go fully into the question.

Mr. GOOD: I join with the Acting Minister of Finance in suggesting that this should go to the Banking and Commerce committee. It has only come before us now, and I have not had an opportunity of reading the bill, and I do not suppose any other hon. member has. While there may be a good deal of weight in the remarks of my right hon. friend the leader of the opposition (Mr. Meighen), they may not be applicable to the particular situation dealt with in this bill.

4 p.m. I notice in the explanatory note which I have had time to read that the amendment is to make applicable to companies incorporated prior to a certain date certain provisions that are applicable to companies incorporated after that date. It may be that on looking into this matter, we shall find real need for some amendment to the Loan Companies' Act, and I would suggest that we might have the superintendent, the official who has charge of this matter, before the committee, and find out what it is about. Then we can report to the House, and if there is any further discussion it will be more intelligent than any discussion we can have at the present moment. Very few of us have had an opportunity of reading the bill.

Mr. CARROLL: I do not belong to the committee on Banking and Commerce, but I would suggest to that committee that there are ways of shareholders making corporations produce information without coming to this parliament to force them to do so.

Mr. BOYS: I would like to ascertain from the Acting Minister of Finance if this applies to trust companies as well. I really think it does, but I am not certain. If it does not, and this is wise legislation, one would think there should be similar legislation in regard to trust companies.

Mr. MEIGHEN: If it does not, I can assure the hon. member that there will be another one very soon to do it.

Mr. ROBB: I cannot say at the moment.

Progress reported.

ANIMAL CONTAGIOUS DISEASES ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to repeal subsection one of section six of the Animal Contagious Diseases Act, as enacted by chapter seven of the statutes of 1922, and amended by chapter three of the statutes of 1923, by which it was provided that the minister may order compensation to be paid to the owners of animals slaughtered under the provisions of the Act at the rates of valuation therein prescribed, and subject to the limitation that the said subsection should only remain in operation for three years from the first day of July 1922; and in lieu thereof to re-enact the said subsection with the same rates of valuation for compensation but without the said limitation as to operation.

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

Mr. MEIGHEN: Would the minister not consider simply repealing at once all the legislation that he has passed, instead of doing it in instalments?

Mr. MOTHERWELL: That, I presume is a matter for the pleasure of the House. This

resolution, Mr. Chairman, is rendered necessary by the fact that section 6 of the act expires on the 1st of July, and therefore it must be re-enacted if we are to continue the policy of compensating the owner for animals slaughtered under the provisions of this act. The House will probably remember that three years ago an amendment to the act was brought down providing for the lowering of the appraisement of cattle for which compensation was given; and again in 1923, the compensation was lowered in the case of pure breds to $300 for each horse, $150 for each head of pure bred cattle, and $50 for each pig or sheep. A number of the members of the committee thought we were going too rapidly in lowering the valuation, and I—or somebody else, I forget just whose suggestion it was at the moment—suggested that we make this terminable at the end of three years, so that the whole question might be brought up at the end of that period, and if the valuation was thought too low we could then give the House an opportunity to raise it. That opportunity is now here if we want to exercise it. Unless we pass this, compensation to owners of cattle that are slaughtered for tuberculosis, cholera or any other disease, will terminate on the 1st of July next. Therefore we re-enact this section without any change as to valuation, and with no provision for terminating it on a certain day.

Mr. LADNER: On what basis is the valuation to be made? Is it a certain proportion of the market value?

Mr. MOTHERWELL: We are not making any change in the valuation whatever.

Mr. LADNER: But how is the valuation which now exists arrived at? Is it on the market value, or a certain percentage of it?

Mr. MOTHERWELL: Yes. There was a basis fixed in the years before the war, and the value gradually went up. After the war it came down with the deflation of live stock prices. Pure breds were placed at $250 before the war and they are $150 now.

Mr. LADNER: There is some basis or principle?

Mr. MOTHERWELL: Yes.

Mr. LADNER: Is it the market value of the animal?

Mr. MOTHERWELL: Yes, the pure bred is more valuable.

Mr. CRERAR: I do not understand that that is the principle. Is the full value of the animal paid in compensation?

[Mr. Motherwell.]

Mr. MOTHERWELL: No, just two-thirds.

Mr. CRERAR: That is the point my hon. friend asked about.

Mr. MOTHERWELL: There is no change. The last three lines of the resolution explain the provision:

—and in lieu thereof to re-enact the said subsection with the same rates of valuation for compensation but without the said limitation as to operation.

Mr. LADNER: Are those fixed valuations or percentages in the act? Does the act specify so much for one kind of animal?

Mr. MOTHERWELL: Yes.

Mr. LADNER: That it shall be two-thirds of the market value of that animal?

Mr. MOTHERWELL: Yes: Horses, sheep, cattle and swine.

Mr. LADNER: But does the legislation now continued specify the exact price in dollars and cents given for a certain animal or class of animal?

Mr. MOTHERWELL: No.

Mr. LADNER: Or a certain percentage?

Mr. MOTHERWELL: The act provides for a maximum for each animal, and whether it gets the maximum depends upon the animal. The top-notch animals will get the maximum and others in proportion.

Mr. MEIGHEN: If I have it correctly, the old act provided two-thirds valuation, and it provided a maximum for a thoroughbred and a maximum for the non-thoroughbred, and those were $250 and $150, were they not?

Mr. MOTHERWELL: It was $150 for pure bred and $60 for grade.

Mr. MEIGHEN: But under the old act?

Mr. MOTHERWELL: Yes, $250 and $80.

Mr. MEIGHEN: The amendment, which was a temporary amendment for three years, changed the $250 and $80 maximum to $150 and $60 respectively.

Mr. MOTHERWELL: It was changed twice.

Mr. MEIGHEN: I am surprised it was not changed oftener. The purpose of this amendment is to maintain the $150 and $60 maximum?

Mr. MOTHERWELL: Yes.

Mr. MEIGHEN: But to make the legislation permanent?

Mr. MOTHERWELL: Yes.

Mr. MEIGHEN: How does the new maximum work out? Has it been satisfactory?

Mr. MOTHERWELL: Yes. A few people will think it too high, and a few people consider it too low; therefore we conclude it is just about right.

Mr. COOTE: How much was paid last year under this provision?

Mr. MOTHERWELL: I think we paid between $600,000 and $700,000. I have not the figures here.

Mr. LEADER: I think it was $500,000 odd.

Mr. SUTHERLAND: Will the minister explain how the line is drawn between animals which eventually go to slaughter? Although pure bred their usefulness is at an end; in any event they would be slaughtered for beef or some such purpose. Is the value fixed on the basis of their value as breeding animals? Animals might be pure bred and not good breeders, consequently would not be of any greater value than grade animals.

Mr. MOTHERWELL: It is just exactly the same as we would value it if we were going down to buy it. We have an age limit in males, we take the quality of pedigree and the conformation of the animal. All these things enter into the value. The very best will bring the maximum and the others will bring a value in proportion.

Mr. MEIGHEN: Does that apply only to cattle?

Mr. MOTHERWELL: Horses, sheep and swine also.

Mr. MEIGHEN: But those figures apply only to cattle and not to other animals. I have never been able to get the principle of this thing. As I understand the legislation it applies to cattle, horses, sheep and swine, but not to all cattle.

Mr. MOTHERWELL: No.

Mr. MEIGHEN: Then it is not based on the principle of compensation at all. I do not know what it is based on; apparently it is only applied to such cattle as will breed. If there is a principle behind it, I do not know what it is.

Mr. MOTHERWELL: I will explain it.

Mr. MEIGHEN: And will the minister give us the explanation with regard to the other clauses?

Mr. MOTHERWELL: Yes. Take the city of Ottawa: all herds supplying milk to the city of Ottawa come under the municipal test clause and are tested, and in the case of any animals that go down for tuberculosis the owners are compensated. Then we have the accredited herd system. We have something like two or three thousand and they are all pure bred. This provides for a class of pure bred animals, so that when they are sold about the country they will not scatter disease. Another class we call the restricted area. We have one of these areas in Manitoba, and we took it up at the request of two-thirds of the live stock men of that district. We took all animals, no matter of what kind, pure bred or whatever they were, and cleaned up the tuberculosis entirely in what we called the restricted area. We have one of these areas in Carman, Manitoba, one in Huntingdon, Quebec, and we are starting one in Prince Edward Island. In addition to that we have another system of supervising, where no compensation is given, but simply inspection. The schedule is contained in clause 6 of the old act, and this is re-enacted as follows:

> The minister may order a compensation to be paid to the owners of animals slaughtered under the provisions of this act; and in all cases the value of the animal for which compensation is ordered shall be determined by the minister or by some person appointed by him, but, except as hereinafter provided, such value shall not exceed, in the case of grade animals, one hundred and fifty dollars for each horse, sixty dollars for each head of cattle, and fifteen dollars for each pig or sheep; and in the case of pure bred animals, three hundred dollars for each horse, one hundred and fifty dollars for each head of cattle, and fifty dollars for each pig or sheep.

Those are the maxima for the several classes of animal.

Mr. MEIGHEN: Those are different figures from what the minister gave us; they are much larger. The minister read $300 for horses and $200 for cattle, but he told us the maximum for cattle was $150.

Mr. MOTHERWELL: This is the same section, No. 22. The amendment to that for pure bred is $150.

Mr. MEIGHEN: That is the old act?

Mr. MOTHERWELL: Yes.

Resolution reported, read the second time and concurred in. Mr. Motherwell thereupon moved for leave to introduce Bill No. 150, to amend the Animal Contagious Diseases Act.

Motion agreed to and bill read the first time.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

Hon. J. A. ROBB (Minister of Immigration and Colonization) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to amend the Soldier Settlement Act, 1919, and amending Acts, and to provide that notwithstanding anything in the acts, in the case of any settler who has not repaid his indebtedness to the Board, or who has not abandoned his land, or whose agreement with the Board has not been terminated or rescinded, the Board shall credit his account with an amount, in reduction of his indebtedness to the Board, determined as follows:—

Forty per centum of the purchase price of all live stock advanced to the settler and purchased prior to the first day of October, 1920;

Twenty per centum of the purchase price of all live stock advanced to the settler and purchased on or after the first day of October, 1920, and prior to the first day of October, 1921; and

The settler's account shall be credited with the total amount, determined as aforesaid, as on the standard date in 1925.

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

Mr. BLACK (Yukon): What is to be done as regards the man who has paid up? Is the department going to keep the money?

Mr. ROBB: Hon. members will recall that this question was studied last year by a special committee which went into it very carefully and submitted a report. There has been from time to time a difference of opinion expressed. It has been represented to us, for instance, that there should be a revaluation of land as well as of stock. There are two sides to this as to every question. The Ralston commission, who made a very exhaustive study of this question, indicated that while there was some justification for a revaluation of stock and equipment the real value of the land, whether it was a good or a bad purchase, could be determined only at the end of the period. The country advanced the money for twenty-five years. I am prepared to admit at once that there may be some places where the land was not well purchased, but, generally speaking, the land was fairly well bought. There is this to be said of all the land, whether it was well bought or whether they paid too much, the soldier himself saw this land, accepted it and, in some cases I am told, was prepared to pay even more than it was thought he should at the time. The bill which we propose to present based on this resolution will provide that forty per cent reduction shall be allowed on the purchase price of all live stock purchased prior to 1st October, 1920, and twenty per cent on live stock purchased on or after 1st October, 1920, and prior to 1st October, 1921. In the annual report of the Soldier Settlement board dated December, 1924, in dealing with the deflation in values, this is stated on page 8:

The greater number of soldier settlers in Canada bought at the peak of war-time prices. Those who sold to them reaped the benefit of the inflated prices and they now find the property to be worth less than the government charged them for it; that is, they have become the victims of a deflation caused by the aftermath of the war they had won.

That referred particularly to live stock. They go on to say:

For instance, soldier settlers bought in Canada before the slump in values livestock to the extent of approximately $13,500,000. To-day that livestock is worth less than half that amount.

I am quoting that as the words of the soldier settler. If we bear in mind the bill that has just been introduced, amending the Animal Contagious Diseases Act, it will be observed that the valuation of stock has been considerably reduced. The committee will, perhaps, be interested to know at this stage that loans were granted to 24,224. The total capital advanced on loan account was $103,894,073.56.

Mr. MEIGHEN: That is, land and stock.

Mr. ROBB: Yes. The total capital outstanding on loan account at the present time is $88,393,376.17. There has been paid on loan account, on principal, $15,540,733.49 and, in interest, $5,220,781.71.

Mr. MANION: What should have been paid?

Mr. ROBB: I will come to that in a few moments. I said a moment ago that the land, generally speaking, had been fairly well bought. I will admit that there are, perhaps, some places where too much was paid for the land, but when you take the whole business throughout the various provinces the amount that was over-paid was very small. Resales are made from time to time owing to the fact that for one reason or another the soldiers find it necessary to give up their properties. I have a statement here showing that the gain in respect of these resales was $714,015.85.

Mr. CALDWELL: Does that include the ten per cent which the soldier paid down on the land as well as subsequent payments made on it? If I remember rightly, those payments would not be included in that amount.

Mr. ROBB: No, I do not think so.

Mr. CALDWELL: So that, in order to make the statement complete, we should know how much the land actually cost, apart from

any question of how much the government had against it.

Mr. MORRISON: That resale I think, includes all improvements which the soldier put on the land.

Mr. ROBB: Possibly it does. Now, while the gain was, as I have said, $714,015.85, the loss on stock and equipment amounted to $799,552.88, resulting in a net loss on land, stock and equipment of $85,537.03.

Mr. LEWIS: Is it not a fact that only the very best portions of these lands are being resold? A great number of farms in my own district owe the Soldier Settlement Board between $5,000 and $7,000 a quarter, and they could not be sold to-day at $2,500. For that reason these lands are not being sold; they are being held, rented rather than put upon a forced market at reduced prices.

Mr. ROBB: I shall come to that in a moment. In considering this matter I think it is well for us to be fair to the country generally, to the tax-payers who are advancing the money, as well as to the thousands of soldiers who came back and entered upon their work as citizens without receiving any advances from the government. I submit that of all the countries that were in the war not one has dealt more generously with its soldiers than Canada has done. Both the government of Canada and the people were unanimous in extending generous treatment to the returned men, and I want to put on record for the information of the House just what this country has done in the matter of soldier settlement, leaving aside altogether the gratuities that were given to the men when they returned. I am dealing now particularly with the scheme of settling soldiers on the land. In the first place, no interest on stock and equipment purchased was charged for two years, and this consideration represented a saving to the soldiers who settled on the land of approximately $1,500,000. There was also pay and allowance to the soldiers while in training, and to their dependents, amounting to $224,418.04. By the 1922 amendment to the Soldier Settlement Act, those soldiers who had been established up to 1921 were granted interest exemptions amounting, it is estimated, to $10,269,108.87. Adding all these concessions together we find that the total contribution to the returned soldiers in this direction was $11,993,526.91. But there was another contribution to the soldier settlers who took advantage of the government plan of the day and went on the land; I refer to the matter of low interest. They were charged interest on their advances at five per cent, while at that time, as every hon. member knows, money was worth considerably more; many of their civilian neighbours were paying from 6½ to 8 per cent. I have here a record of the losses on reverted lands. In 1,571 cases where land, equipment and stock have been completely resold, the deficit on stock and equipment amounted to $779,660. Then we paid taxes, insurance and sundry charges to an additional amount of $431,646. That made a total loss to the department of $1,211,306.

Mr. MEIGHEN: What taxes were those?

Mr. ROBB: When any land was resold we had to pay arrears of taxes on the property. As against this loss there was a surplus on land of $592,735, leaving a net deficit of $618,571 on that transaction. Another concession to the soldiers was the opportunity given them to settle on a cash-down payment of only ten per cent of the land value. This meant financial assistance without a business margin of security, and the assuming of a risk which no other agency would have undertaken. Reference was made a moment ago to the value of the land as resold. Let me quote from the Ralston report:

> The position, however, as it appears to the commission, is that the handicap is more contingent than actual. The value of the farm is not to be taken as of this or any arbitrary date for the purpose of measuring the loss or profit of the soldier farmer. The farm is bought to be worked and paid for gradually. The only definite date for testing the improvidence or otherwise of the bargain is the date on which the purchase was made. At that time the settler himself, who was assumed to have some knowledge of the value of farm lands, decided that the farm was worth the price and in this the best available judgment of the settlement board officials concurred. If the subsequent fluctuations in value are to be looked at to see whether the bargain was a good one, then the date which is at least as important as any other is the date when the farm is to be actually and finally paid for, twenty-five years hence.

The commission then deals with the concessions granted in 1922, providing for interest exemption, and states on page 57:

> This exemption was not an inconsequential concession. It represented in many cases a complete cancellation of interest amounting to about 16 per cent of the principal sum, or in other words by spreading it over the twenty-five years, it meant that the interest-bearing principal was reduced by 16 per cent.

They go on to say:

> It is only fair to remember that the effect of the proposed revaluation is to ask the country to agree to forego its claim under the terms of a solemn contract admittedly much more liberal than would be entered into by any private interest, and that the settler was himself satisfied as to the value of the land which was the basis of the contract and the security for the loan.

In concluding, the commission declined to make any definite recommendation and merely

put forward a summary of evidence and directed attention to the following considerations, which may be regarded in the main as their recommendations:

(a) To compare prices paid for the land with the values as on any arbitrary date, except the date of purchase, would not be an accurate criterion as to whether the bargain was a good one. A fair test would be the value of the land on an average during the twenty-five year payment period.

Now I come to the question raised a moment ago to resales. This is a memorandum regarding certain recommendations that were made by a committee of the House:

In addition to the arguments against revaluation of land as set out by the Ralston Commission, it must be remembered that no concrete evidence has been submitted either to the Ralston Commission or the parliamentary committees that have investigated this matter, which would establish that there had been any general land deflation. It is true that most members of the parliamentary committee were firmly convinced that very serious deflation had taken place, at the same time no evidence as such has been submitted.

Here is something I desire to submit to the attention of hon. members:

As a matter of fact the concrete evidence submitted is all to the contrary. On page 66 of the report of the committee of last year the Soldiers Settlement Board showed that it had resold or accepted offers for 1672 farms, and the price obtained was $600,000 more than the board had invested. Since that time the board has resold, mostly to civilians, resident farmers in the country, approximately 50,000 acres of soldiers' settlement lands which have been foreclosed and abandoned by the original settlers. This property cost the board, including the original purchase price plus all permanent improvement advances, $856,000, and it was resold for $895,000, leaving an aggregate gain of approximately $39,000. All these sales have been made in the last twelve months and afford a fairly clear indication of present conditions, because they cover forty-six farms in British Columbia, seventy-two farms in Alberta, forty farms in Saskatchewan, twenty farms in Manitoba, twenty-seven farms in Ontario, fourteen farms in Quebec, seven farms in New Brunswick, nine farms in Nova Scotia, and four farms in Prince Edward Island, and they are not by any means the best of the farms which the board has on its hands as the better farms are all being reserved for higher prices.

Mr. LUCAS: On what terms were those farms sold?

Mr. ROBB: I suppose on the same terms as to the soldier settlers.

Mr. GARLAND (Bow River): Is it not true, just as was pointed out a few moments ago by a member from New Brunswick (Mr. Caldwell) that most of this land that is being resold has been improved by the toil and the personal expenditure of the soldiers themselves, and that the price obtained does not represent the actual deflation in raw land value?

Mr. ROBB: The Soldiers Settlement Board does not admit there is a deflation in raw land value. In fact, if the land was resold at a profit the settler would get that profit.

Mr. CALDWELL: Does that include the 10 per cent paid by the settler? My recollection is that this was simply the money the settler still owed the government, and in no case has the settler received anything back for the 10 per cent he had paid initially.

Mr. MEIGHEN: In most cases would not the accrued interest exceed that 10 per cent?

Mr. CALDWELL: That is charged up in another place.

Mr. MEIGHEN: No, that would be included.

Mr. CALDWELL: That accounts, too, for the great difference between the deflation price of stock and the deflation price of land, because in the case of the stock the settler did not pay anything down and the price indicated that what the government paid for it was the full price; while in the case of the land the price is only 90 per cent of the actual price in the first place. So there would be a discrepancy there.

Mr. MORRISON: The big discrepancy is in the improved land, which that report has very carefully avoided taking into account. The soldiers working on the farms for three or four years wore out the implements which they had bought, and I venture the statement that several thousand dollars' worth of improvements in the way of labour and material which those soldiers put on the land is unaccounted for in this report which the minister has read.

Mr. MEIGHEN: I have no brief for the minister, but I would not think that very likely. I do not doubt there would be cases of improvement where the land intrinsically was bettered by the soldier.

Mr. HOEY: There were cases where the raw land was cleared.

Mr. MEIGHEN: Yes. I have dealt with land myself, and I do not think I speak altogether as an ignoramus on this question. Where you have men abandon their land, I venture to say that the proportion of cases where they left the land better than when they got it would be very, very small. If you sell a man land, and after three or four years he quits, I should like to ask the hon. member for Weyburn (Mr. Morrison), who knows this question just as well as I do, how often he would expect to take that land back in better shape than when he sold. The man who improves his land is the man who stays on it.

Mr. MORRISON: I would remind the right hon. gentleman that most of those lands were raw lands, therefore buildings had to be put up, wells dug, stones removed and ditches made—all improvements which the soldier cannot carry away with him.

Mr. MEIGHEN: That is true. There might be cases where those things being considered would mean that the government got the land back in better shape; but even where the land was sold in the raw—and I do not think we ever bought raw land for the soldiers—as one who has dealt somewhat in land, give me the raw land every time in preference to the land abandoned, especially in this age of sow thistle, mustard and wild oats. I give this as my judgment, whatever it may be worth, that if you go over the whole sweep of the lands that were returned, I think you will find that their intrinsic value as they came back to the government in the aggregate would be more probably less than greater.

Mr. ROBB: Mr. Chairman, as a tribute to our soldier settlers, and in reply to the statement of those who say that these men are not making their payments and are in dire distress, I should like to put on Hansard this record of the payments by soldier settlers:

Seven hundred and fifty-four have repaid their entire indebtedness. This year, of the seventeen thousand settlers with payments due, approximately seven thousand have met their payments in full, more than seven thousand more have made substantial payments on account, and altogether approximately 70 per cent of the money due this year has been repaid.

Mr. HARRIS: The bill in its piecemeal form covers the situation perhaps so far as the price of the live stock of the settler is concerned when he bought his land, but there seems to be no explanation from the minister respecting the policy of the government with regard to the cost of the chattels originally. No doubt these soldier settlers in 1919 and 1920 paid very dearly for some of the chattels they then took over. I have in my hand an inventory of a dilapidated farm in the township of Reach, Ontario county, and I find that this particular soldier settler paid as much as $70 for a secondhand wagon, $75 for a secondhand top buggy, $20 for a roll of wire fencing, No. 9, $25 for a secondhand set of harness, and so on all through the list. These articles were of very poor quality and cost him $585 on October 10, 1919. As I read this bill, it contains no provision to take care of that excessive cost of chattels to the soldier settler. Before we proceed any further I would like to ask the minister what is the policy of the government with regard to giving the soldier settler some relief in respect to the cost of his chattels. Just to voice my sentiment with regard to the 40 per cent clause I will give a few of the items of live stock this particular man bought and the prices he paid:

1 bay mare, 10 years old	$250
1 Holstein cow, 6 years old	150
1 Holstein cow, 5 years old	145
8 sheep	200
1 Yorkshire sow and litter	175
25 hens	35

And so on. Anyone who knows anything about farming in the last ten years will realize that that is pretty expensive live stock for a settler to have to pay for. I feel that this 40 per cent clause is going to afford some relief, but I would like to know what the policy of the government is to be in regard to the chattels.

Mr. ROBB: If my hon. friend will give me the name and address and location of the soldier, I will have the matter looked into.

Mr. HARRIS: I will put it on record; I have his permission to do so. It is the case of Henry Cox, Port Perry, Ontario; 81 acres, part of lot 8, concession 2, township Reach, Ontario county; file No. 5644; district loan No. 524; regimental number 3032549.

Mr. MEIGHEN: Is the hon. member sure that these were paid for by government moneys? While it is some years back, I am very sure from memory that a maximum was fixed on each animal at an amount considerably below what he has given, and there was no case in which anybody was allowed to pay that. I fancy these are some of the soldiers who indulged in a bit of luxury.

Mr. HARRIS: No; this is the original communication from the Soldier Settlement Board. The inventory is in accordance with requisition No. 12093 covering chattels turned over to this particular soldier with the property purchased from a Mr. Dodsworth.

Mr. HUGHES: That man should have had a guardian.

Mr. HARRIS: I take issue with my hon. friend. A good many more of us might have had a guardian at that particular time. The men came back here, thousands of them; what were they to do? We did not want them in the bread lines in the cities; we were glad to see them get back on the land. Indeed, we all encouraged them to go on the land, and now to say that this man needed a guardian is not expressing very noble sentiments, in my opinion.

Mr. ROBB: I will have this case looked into and give my hon. friend whatever information we have with regard to it. I am not finding fault with the soldier; I just want to say that I think in this case he fell in among Philistines or thieves. But that was not the general policy of the administration at the time, because a special arrangement was made with the agricultural implement people under which the implements were purchased at a discount which amounted to $1,220,572.

Mr. HARRIS: Was there a rate of discount set?

Mr. ROBB: There must have been.

Mr. HARRIS: It seems strange that there should be a rate of discount when every item on this inventory happens to end in even money—$5, $10 and so on.

Mr. ROBB: We will have it looked into.

Mr. HARRIS: What is the minister's policy in regard to these chattels?

Mr. ROBB: This bill provides nothing for chattels.

Mr. HARRIS: Has the government any legislation in view?

Mr. ROBB: No further legislation. When we have the bill here I will arrange to have a representative of the board present so that he may answer any questions.

Mr. NEILL: While there may be individual cases of hardship in connection with chattels, as mentioned by my hon. friend (Mr. Harris), I think it will be found on examination that the men themselves do not want a revaluation of chattels because the chattels are worth more to-day than when they were purchased. I think that is the general feeling.

Mr. HARRIS: Because the duty was taken off.

Mr. NEILL: There we go, into the tariff again. We cannot start any discussion without somebody on my right bringing up the question of the tariff. I want to keep away from the tariff. As I say, the men do not want their chattels revalued, for that reason; but they certainly do want their stock and land revalued. I regret very much to see the change from 60 and 40 per cent to 40 and 20 per cent, because it seems to me it was tantamount to a pledge given to the soldiers of this country last year when the present Minister of the Interior moved concurrence in the report of the soldiers' committee. It happened in this way: The committee made certain recommendations, one of which was this 60 and 40 per cent provision, and they also recommended some other items in connection, I think, with interest charges. When the matter came up for concurrence the minister moved an amendment to strike out the paragraph referring to the interest charges. His language—I have it here—was: That means the acceptance of the balance of the report. The leader of the opposition then raised the point of order that there could be no recommendation for the expenditure of public money by a committee, and later on the Speaker decided that it was out of order. But we had it on record that a minister of the crown was willing to concur in this 60 and 40 per cent provision. That went out to the country; members went home and told their constituents that that was going to be done—at least, that it was the pledge of the government. I have not heard the explanation of the minister now—whether he looked further into it, or what it is, I do not know. It seems to me there will be some difficulty in offering an explanation of that change of front. What is the policy, may I ask, as regards the revaluation of land?

Mr. STEWART (Argenteuil): In reference to the incident of last year when the report of the committee was brought down in the House, if my hon. friend will look at Hansard I think he will find I stated on that occasion that as nearly as I could estimate, if the recommendations of the committee were all carried out it would involve a reduction in the collection of funds alone to the soldiers of some $38,000,000. That may have been a rough estimate. So far as the stock valuation was concerned I was prepared to accept the recommendation of the committee, reserving the right during the recess to make an investigation into the whole matter. It is quite true that the report of the committee was to the effect that there would be a 60 per cent reduction on stock purchased in 1920 and a 40 per cent reduction on stock purchased in 1921.

Mr. MEIGHEN: What is the meaning of accepting a recommendation with the reservation of a right to review?

Mr. STEWART (Argenteuil): Well, I think I made it perfectly clear on that occasion, I refused at that time to sanction the recommendation of the committee with respect to the land values.

Mr. GARLAND (Bow River): No, the interest.

Mr. STEWART (Argenteuil): Yes, with respect to the interest; and there was a reservation that the matter would be thoroughly looked into by the government and legislation brought down at this session. If hon. members will look at Hansard they will see that that was the statement made on that occasion.

Mr. MEIGHEN: There is no such thing as accepting a recommendation for a specific reduction and then reserving the right to review it; the two are absolutely inconsistent. The minister would be quite correct, of course, in saying that the government would think it over during the summer, but he cannot put that statement alongside of another statement to the effect that the recommendation was accepted.

Mr. NEILL: I have Hansard here and I will quote what the minister said. His reservation referred entirely to the interest charges. Here is his language:

> It is pointed out to me that the evidence all goes to establish that in so far as the live stock is concerned—purchased and given to the soldiers within the period mentioned—there is an actual reduction of 60 per cent over the prices prevailing as against those established in 1921. That being the fact I am not disposed to take serious objection to that adjustment. I believe, however, from what I have been able to gather—and I must confess that it has only been from the committee and the Soldiers' Settlement Board itself, with whom I have not been associated for over a year—that a serious state of affairs seems to exist with respect to the extension of the interest payment period.

That is all that is said about the sixty per cent, which is a total acceptance of the statement.

Mr. ROBB: With all due respect to my hon. friend, the minister did not say that he accepted it, but that he did not take serious objection to it.

Mr. NEILL: The minister said:

> It all goes to establish the fact that there is an actual reduction of sixty per cent.

That is plain enough—he ends up:

> For that reason I move that the following words be added to the motion: "with the exception of paragraph 2 thereof".

Then he uses these words himself:

> That means the acceptance of the balance of the report.

Mr. GARLAND (Bow River): I myself have a very vivid recollection of the episode of last session, I was equally convinced with the member for Comox-Alberni (Mr. Neill), and indeed I have on occasion actually presumed to use the words of the minister himself in order to satisfy the soldier settlers that they were about to receive at least this meed of relief.

Of the general proposal of the bill before us I have no serious criticism to make, except that it does appear to me to be a breach of faith. There should not have been a reduction of from sixty to forty, and from forty to twenty, in the respective years. I urge that the minister might be well advised to consider the restoration of the original figures reported by the committee favourably to this House, and, as has been stated, recommended by the minister himself. But after all, Mr. Chairman, how far are we going to get with this government and with these ministers? I am quite sure that they act sincerely, and perhaps say things unthinkingly, but if so they are open to censure because their words are regarded with considerable weight and looked upon as being important by the people of the country.

Mr. MEIGHEN: Some people.

Mr. GARLAND (Bow River): Some people. On May 14th last I asked this question in the House:

> Is the government prepared to bring in any legislation respecting the revaluation of soldier settlers' land, live stock and equipment?
>
> Hon. J. A. Robb (Minister of Immigration): Yes.

I at once sent word out to my people that the happy moment had come, that the government was about to introduce legislation looking towards the revaluation of soldier settlers' land, and it is going to be a bitter blow to some of them when they find the minister rising in his place, just a few days afterwards—not an uncommon occurrence—and flatly contradicting what he had promised a few days ago. It may be that the minister did not take into consideration the importance of his answer nor the nature of the question, but I submit that he should have, and that he stands pilloried before the unfortunate soldier settlers of western Canada to-day as a man who just does not know his mind from one moment to another.

With regard to this question of land revaluation, I would be the last in this House to urge a general policy of land revaluation. I do not think it is necessary. I think what the minister has stated as a result of the reports in his department in connection with this matter is largely true; at least the evidence has convinced me that no general policy of revaluation is advisable. But I submit with all the earnestness I have, that there are sections in this country in which revaluation is not only urgent but imperative if any of these

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men are to be salvaged. I will take the minister to the Soldier Settlement Board myself if he cares to accompany me and get the board to demonstrate to him as they have done to me that there are sections, such as the Slade lease and the district running along the Goose lake line and south of there, and all that district around Hanna and south of Hanna on the Canadian National, where revaluation is imperative. I say to the minister, if he earnestly desires to advance the prosperity of western Canada, to justify his immigration propaganda, and to give any hope to these unfortunate men who fought for him overseas, and who have come back and are trying to make a living in this country on the land, he will have to submit a measure of revaluation in order to take care of these people.

The method I have in mind would be quite a simple one. It would be a matter merely of amending your regulations in order to allow the board to say to any man who had a complaint: File your complaint; file what you think should be the value of your land, and if any deflation of land values has taken place, support your complaint by affidavit from the secretary-treasurer of your municipality or with such other proof as would be accepted by us, such evidence as the sales of land in that vicinity, and so forth. If the evidence sent in with the application of the soldier was such as to justify an examination, then I urge that the board should send an investigator out there to examine that man's claim and revalue the land on its merits. If that policy be adopted, I venture to say that seventy per cent of the present claims for revaluation could be settled without the necessity of any additional board, permanent or otherwise, being established.

I was somewhat amazed at the statement of the right hon. leader of the opposition. I took his words down: "The man who improves the land is the one who stays on it." Yes, there is no doubt about it; the man who improves the land is the one who stays on it. But it is ridiculous to suggest, as he unquestionably did suggest, that the man who leaves the land has not improved it. That would be an entirely incorrect inference for anyone to draw, and I trust that that was not the inference the right hon. gentleman wished the House to draw. As a matter of fact, many of these men who have been forced off the land by climatic conditions and other circumstances outside their control altogether did undoubtedly heavily improve their land—put up buildings, fencing, break the virgin soil, and make many other investments out of their own pockets, in addition to loans from the board. It is a crime that these people should have to suffer in this way, especially when we find this very organization, the Soldier Settlement Board itself, now being turned into a colonization scheme, and revaluing the soldiers' abandoned lands or salvaged lands for fresh immigrants brought in here from the Hebrides and other places. That is a scandal. Why not revalue the land for the man who is on the land and is willing to stay there if he can get a revaluation? But only if a revaluation is justified. I do not ask anything unfair. I ask revaluation if the evidence adduced shows it is justified; that is all. Is the minister going to object to that? Surely that would be an extraordinary attitude for the minister of a Liberal government which made such wild promises to the soldiers in 1921 and subsequently to take.

I have in my hand here just one letter; I have files of them, and nothing would give me greater pleasure, if I were challenged, than to read every one to the House. Nothing would be more effective than if I were to do it, but I will read just one passage from the last letter I received:

> One aspect of the case of the soldier settler is the fact that several of the farms in this locality have been revalued after the soldier has had to quit, and the same farms have been sold to fresh Hebridean and Irish settlers who will take years to become as efficient as the men they have replaced, and who have risked their lives for the good of the country and never boast about it. It looks as though the government are after "initial payments in cash" and are prepared to sell and resell the same places an indefinite number of times, as the C.P.R. are doing here near Lougheed with their burnt out clay lands, some of which are occupied by the third "purchaser" in four years.
>
> I would be glad if you will do your little bit toward this matter.
>
> Yours respectfully,
>
> J. BURKINSHAW.

Mr. POWER: Does the hon. member disapprove of the government using ordinary business methods and selling the land when it comes back to them?

Mr. GARLAND (Bow River): Not at all.

Mr. POWER: That seems to be the burden of the letter.

Mr. GARLAND (Bow River): Not at all. I am urging that the necessity for abandonment should be obviated so far as it is possible, and I am urging business methods to prevent this land getting back to the hands of the board, and in order to leave the land in the hands of the soldiers. That is all I am trying to do.

Mr. POWER: As I understand the tenor of the letter, it is to this effect. That the

government should revalue the land in order that it be not abandoned. If it has been abandoned, they must not have a resale to Hebrideans or anybody else, nor must they act in the way in which the Canadian Pacific Railway has carried on business so successfully in the west for many years.

Mr. GARLAND (Bow River): So successfully?

Mr. POWER: Judging from the dividends paid.

Mr. GARLAND (Bow River): My hon. friend has not consulted any of the land people up there who are endeavouring to operate in the five million acre irrigation tract or in the burnt out clay lands. Their experience has not been such as to create tremendous congratulations on the part of the shareholders. Let me quote again the passage in the letter to which I referred:

One aspect of the case of the soldier settler is the fact that several of the farms in this locality have been revalued after the soldier has had to quit.

Mr. POWER: Why not?

Mr. GARLAND (Bow River): No objection whatever. The only objection is that it was not revalued before the soldier did quit. That is the point I am trying to demonstrate to the minister: that the revaluation where it is justified should take place before the soldier has left the land, and it can be done if the minister is open to receive the suggestion.

Mr. POWER: Is it not a fact that all the soldier settlers were supposed to know something about agriculture when they went on the land?

Mr. GARLAND (Bow River): Yes.

Mr. POWER: Then why do they come back and say they paid too much?

Mr. GARLAND (Bow River): I have been farming in western Canada for sixteen years. It is not a very long time as years go, but it seems to me sixteen centuries. Let me inform the hon. member that the soldier settlers in my district have been driven to such conditions through causes absolutely beyond their control that I have been making appeals to the minister himself this session, with favourable results, for the granting of seed grain to them, which the board refused.

Mr. POWER: But most of them received seven or eight thousand dollar loans, did they not?

Mr. GARLAND (Bow River): Any man who can measure a soldier's sacrifice in dollars and cents is doing something which I could not do.

Mr. POWER: I am not measuring it in dollars and cents, and I do not want the hon. gentlemen to put words in my mouth. But they got very fair treatment—in fact too fair treatment. The soldier agriculturist got far better treatment than any other class of soldier, and I do not think he has a right to come back and complain that the country does not treat him well.

Mr. GOULD: He mortgaged his whole life.

Mr. POWER: He was a farmer and had no business to mortgage his life.

Mr. GARLAND (Bow River): The hon. member has an excellent speech on tap, and I would hate to have him spill it in putting questions to me. I do not wish to prevent him asking me questions, but I do not want him to raise arguments just now.

Mr. POWER: My hon. friend raised the argument when he tried to put in my mouth words I did not utter.

Mr. GARLAND (Bow River): If the hon. member leaves himself open he must take his medicine.

Mr. POWER: No objection.

Mr. GARLAND (Bow River): When this case was under consideration last year I took the matter up with the present Minister of the Interior—the minister who was in charge was on the ocean, I believe on his way to England—in regard to these areas, and I mentioned one in particular, the Slade lease. The minister promised if I would send him a statement covering the case he would have it fully investigated and would try to see what could be done in the matter. I sent him the memorandum and I went home, and I heard nothing about it till October 1—in fact I heard nothing about it on October 1. Some time previous to that I wrote to the minister and subsequently received a letter informing me that Mr. Robb, who was in charge of the Soldier Settlement Board, had just returned to his office and he was taking the liberty of referring that letter to him. I hold in my hand now the letter I received from Mr. Robb, which reads:

My colleague, Hon. Charles Stewart has transferred to me for attention your letter of September 26, concerning the Slade lease.

I have discussed the matter with the chairman of the Soldier Settlement Board, who has just received a report from our district superintendent at Calgary, who personally visited the settlement on our instructions—

Note, on our instructions.

—with a view to looking into the situation. He states that 1923 was the first year when any acreage to speak of was put down to crop in this district, and he is informed that the average yield for the district was twenty-five to thirty bushels per acre for that year. This year, however, there was a poor crop so far as soldier settlers are concerned, but it will probably average from five to eight bushels per acre. The summer-fallowed land in the vicinity shows a fairly good crop. Mr. Waymark, for example, adjoining this settlement, threshed the other day fifteen hundred bushels off forty acres of summer-fallow. All the opinions canvassed in the district both as to soldier settlers and civilians were agreed that when our settlers get down to a system of summer-fallowing they can expect reasonable crops year in and year out. Their crop this year, although poor, is sufficient to enable them to carry on.

I wish the hon. minister had been down there when this letter was read:

The district superintendent, who interviewed every soldier settler in the community, with the exception of A. J. Tompkins, who is absent in British Columbia, talked with them all and not one of them, except E. E. Day, mentioned the price of the land or evinced any desire for reduction in price or to be moved elsewhere. As a matter of fact, the district superintendent had not been in the district for more than three hours when he received two offers for Tompkins' property at the price Tompkins paid for it, plus the cost of improvements put on it.

While some of the settlers on this lease possibly paid too much in comparison with the price paid by others and in other districts, in the light of such reports as we have before us on the situation, it does not appear that any action can be taken until the whole question of revaluation has been considered.

Hon. gentlemen will notice the sentence "until the whole question of revaluation has been considered." I took the liberty of sending a copy of that letter into that district, and I particularly called the attention of the people responsible for the organization of the soldiers there to the sentence:

The district superintendent, who interviewed every soldier settler in the community, with the exception of A. J. Tompkins, who is absent in British Columbia, talked with them all and not one of them, except E. E. Day, mentioned the price of the land or evinced any desire for reduction in price.

I received a letter at once to this effect:

There is something very funny about this information sent to Mr. Robb. However, I am sending your correspondence to Mr. M. Bradshaw, our president. My daughter will take it to him to-morrow, Tuesday, and he will call a meeting. I know for sure that the acreage Mr. Waymark had in on summer fallow was double forty if not more, and I am very anxious to know whose opinions were agreed. I have just one idea, I do not know for sure, but I think that Mr. Arnold, Mr. Spreeman and Mr. Bayliff are all left their farms to seek work for the winter. Mr. Besant is working for Mr. Campbell (rancher) of Dorothy. I will communicate with you later.

I then had further communication with this district, and finally on February 3, I received the following letter from Mr. Bayliff, the man who is particularly mentioned in the report:

I received the enclosed communication together with a questionnaire—

The enclosed communication was a letter from the district superintendent of the Soldier Settlement Board of Calgary asking that the questions on the attached sheet be answered and mailed to the office.

The letter continues:

—with questions (1) and (2) this last mail and in order to keep you posted fully of any movement from this end I am enclosing the letter and exact copy of the completed questionnaire, the original of which I am sending in to Calgary office this mail.

You can take it for granted the other settlers will fill in their form along similar lines, placing their estimate of value at five dollars per acre.

I have met the most of the settlers within the last week end and the general idea was to ask you if possible to instruct your colleague who was on the inquiry committee appointed by the House to press for an absolute distinction to be made as between a soldier settler who was fortunate enough to acquire an up-to-date, fully improved property with land ready for crop, as some did in 1919 and 1920, realizing $2 per bushel and over for wheat and one settler was able to pay for his holding outright from his first crop. This particular instance is freely quoted by the officials of the Calgary office.

Then when you figure the great difference of position between those fortunate settlers and we who had to take on raw prairie entailing a number of years and so much more hard work before the land is under cultivation, there is a vast difference between the two propositions calling for altogether separate consideration. The one secured an up-to-date, proved property in an established district. The other took a pioneer's chance in new country and we were unfortunate enough to settle on "poverty flats" as this country is known for miles around.

It may be too late now to have this distinction made but we honestly think a distinction should be made as between a settler who secured land fully improved, ready for crop and the settlers who were game to pioneer. The one was on velvet, the other is on the rocks and we have sent out our S.O.S. call.

Accompanying this letter I have a statement filled in by every settler on the Slade lease, every one of them urging on this government—and on myself to use my influence with the government—to have a revaluation in that locality proceeded with if they are to keep the men there. I have been down to that district; I went there during the recess; I had a meeting with the men, and I found their condition to be as they stated in their communications to me. The statement made to the minister upon which he based that letter certainly does not cover the whole of the facts.

Mr. CARROLL: Did the hon. member investigate the statement of the officer that respecting Mr. Tompkins' farm an offer was made for more than he originally paid plus the cost of improvement?

Mr. GARLAND (Bow River): I am not sure. I will read what is said in reply to the investigation I tried to have with regard to

Mr. Woods' visit to that locality. Mr. Woods is superintendent of the Soldier Settlement Board at Calgary. This is from a letter written to the Minister of Immigration and Colonization (Mr. Robb:

> That Mr. Woods' visit was misunderstood we are well aware, as he did all in his power to make it so in his report to your department, and had we allowed his misrepresentations to pass unchallenged, it would have added to the injustice to the soldier settlers as well as being misleading to your department. Furthermore, in permitting a report to be circulated that all soldiers were satisfied would have prohibited any complaint registered with respect to revaluation or any dissatisfaction. And again we wish to make it clear to you that we did not take this matter up with any intention of asking or expecting any special favour for the soldiers in this locality, but merely to ask that as an injustice had been wrought the same be righted. For it is preposterous to charge soldiers eight times the amount paid by the Soldier Settlement Board and which land would ordinarily have gone to the homesteader regardless of his citizenship or nationality for ten dollars per quarter.
>
> In this instance we consider the question of the soldiers in this district quite apart from the question of a general revaluation or any question of a reduction in stock and equipment.

I cannot find any statement with regard to the particular point; but aside from that altogether, I have consulted the board in connection with this matter. I have had a talk with both Mr. Woods of Calgary and the officials of the board here. They all agree with me that in localities of this particular kind revaluation is justified and they are prepared to proceed with revaluation. I venture to say that if the minister is sufficiently interested and would so request, the board could present him within a few days with legislation that would fully meet the requirements of the west in this connection and keep hundreds of our soldier settlers on the land. I appeal earnestly to him to refer the matter to the board and take their advice and recommendation.

Mr. STEWART (Argenteuil): What was the original price paid for the Slade lease by the soldiers? I notice the hon. member says they value it at $5 an acre now.

Mr. GARLAND (Bow River): I do not know. I will look that up.

Mr. STEWART (Argenteuil): It was purchased by the board, was it not, complete for settlement?

Mr. ROBB: The hon. member for Bow River has read to the House and put on Hansard a copy of a letter that was sent to the department by an officer of the department who was instructed to visit this particular locality, look carefully into the situation and report. The officer reported that revaluation was not desired. I am not going too far in making this statement. The member for the district from his place in the House has made a statement which cannot be understood other than to mean that he contends that the officer has misrepresented the situation and has made a report that is not in accordance with the facts. I think I had better give the hon. gentleman an opportunity if he has any charges to make against this officer. If this officer is not doing his duty, he is of no use to the department. I will have the hon. member's remarks carefully referred to the department and will request them to make another report on that situation.

Mr. GARLAND (Bow River): I shall be glad if the minister will do that.

Mr. SPEAKMAN: I think the minister and the committee will agree that I am not in the habit of making rash or unconsidered statements in this regard. I have given this question some amount of study, in my work here in the various committees of the House and at home where I have made a point of meeting some hundreds of the returned men on the land. I think in my district, which is, perhaps, one of the better districts in the west, certainly in Alberta, I have more men under this act than in any other district in Canada. I have made it a point to visit them, to go through their accounts, to examine their methods of farming and as far as possible to put my valuation on the work done and the property which they hold. I do not pretend to be an expert valuator of land, but I have lived in that district for nearly thirty-five years on the farm and, to some extent, at least, I understand the productive value of the farms there. Last year when the committee went into this question fully and, I think, giving it careful consideration from the standpoint not only of the soldier settlers, but of the country's finances, they came to some very definite opinions. There was some disagreement as to the methods by which the desired end should be carried out, but as to the necessity of the case and what should be done I found almost unanimity of opinion throughout that committee. The main recommendations of that committee were three in number. The one with which the minister deals in part in his resolution to-day is that live stock should be revalued to the extent of sixty per cent and forty per cent in the years indicated. This recommendation was arrived at after very careful consultation with the officers of the board and, on my part at least after writing to a number of the stockyards and to those in charge of sales held throughout Canada, particularly western Can-

ada as to the result of those sales. We found that although the reduction in value varied in one district from another the average reduction was at least sixty per cent and forty per cent in the years indicated, and we so reported. I found no difference of opinion as to that. The officers of the board who were present agreed with that consideration. I found no one in that committee who suggested that the valuation reset upon live stock at that time was too large. It is a matter of great disappointment to me—I will say frankly—to find that this question has been dealt with in what I consider an inadequate manner, a manner which will involve loss to the government without fully performing the function which it was expected to perform, without bringing the relief and establishing the men upon the basis upon which it was hoped they would be established. The second recommendation is one that has not been touched upon.

Mr. ROBB: Has my hon. friend taken into consideration the valuation of stock under the Animal Contagious Diseases Act which we passed a few moments ago, when we provided for a maximum value?

Mr. SPEAKMAN: Yes, I have taken all that into consideration but not as a very serious factor inasmuch as those maximum values apply to a very different class of stock from that ordinarily acquired by the soldiers. There are a few animals in regard to which these maximum values are paid.

Mr. ROBB: There are two grades; the pure bred was placed at a maximum of $150 and the grade stock at a maximum of $60. And they pay only two-thirds of that, or $40.

Mr. SPEAKMAN: That proves our contention, that there has been a considerable reduction in values; but I fail to see what else it proves. Last year everyone connected with the inquiry, not only members of parliament who might be considered particularly sympathetic to the men in their own districts, but the officials of the board who made the purchases and the sales, agreed as to the extent of the reduction in values and as to the recommendation that should therefore be made. There was no disputing that fact; I met no authority at that time who was conversant with the situation who disputed our assertion to that effect.

Now, coming to the next point which has not been touched upon, with regard to a general revaluation. I appreciate the minister's arguments as showing, so far as they showed anything, that no definite depreciation in value had taken place since the time of purchase. But there was one factor which apparently had not been called to the minister's attention and which to my mind is of great importance. It is true that in the resale of land there was shown in the aggregate a slight appreciation in value as compared with the price paid by the buyer at the time of purchase. It has already been pointed out however that in many districts only the better parcels of land have been sold, while the parcels of land of less value and not so easily saleable are still lying there unsold. That may be considered as a matter of opinion; I know that it is a matter of fact in many districts. The point has been brought forward that the appreciation of price as shown is above the amount of indebtedness owed by the settler and does not take into account any moneys which have been paid, or improvements placed on the land by the settler himself. In other words, he has lost that. And the third point, which is a fact so obvious that I am surprised it escaped the minister's attention, is that at the time of the purchase of these farms cash was paid for every farm that was acquired. Now, any man who has been accustomed to buy land knows that if you go into a district and offer cash down for a farm you can get it at a fair value; and if you sell it again, as is done by the board, on a twenty-five year term at a maximum of 6 per cent interest, it will show a great appreciation.

Mr. ROBB: It was sold to the soldier on the same terms.

Mr. SPEAKMAN: But that is not the point. The point is that the price paid by the board, on which the appreciation was based, was a cash price; and the price at which the board sold it at the resale was spread over a term of twenty-five years at a low rate of interest. And as I say, anyone who is familiar with transactions of this sort must know that if you buy for cash and sell on a long term at a low rate of interest you are bound to show an appreciation, and a considerable appreciation, unless values have gone completely down.

Mr. ROBB: The soldier had all the advantages of the appreciation in value; the property was sold him on the twenty-five year term.

Mr. MEIGHEN: I see the point which the minister misses. But is there not this consideration as against what the hon. member (Mr. Speakman) is arguing, that the purchase was made under more or less involuntary conditions? We had to buy; the farmer knew well enough that we were obliged to.

He knew that we might have a choice as regards some lands, but we were bound to buy at that time, and very often we had no choice; the soldier simply took a fancy to some land and we had to get it. But when you are selling it is different; there is nothing involuntary about the matter, and unless the man actually wants the land he does not buy.

Mr. SPEAKMAN: I see the force of that, but I am certain of this, on the strength of my own experience, that considerable choice was exercised in the purchase of land at that time, when a great many men were selling. Indeed, a great many more men were willing to sell for cash than there were those who desired farms. It has been pointed out again and again that the purchases made then were good purchases; in other words, people were able to buy at rock-bottom prices. And that is one reason advanced why a revaluation is now unnecessary. I would impress upon the minister the obvious fact that, other things being equal, when you buy for cash and sell on a long term of years at a low rate of interest you are bound to show an appreciation; and I emphasize this because evidently it has not been called to his attention.

There is something else to be considered. We have been trying to treat this matter from a business point of view; we have been trying to deal with it in such a manner that two functions may be performed: first, the re-establishment of men who by reason of their services overseas now require and deserve some assistance in once more taking up civilian life. That is the first object which we have in mind. But there was another. At the time the act was put into force, particularly, there was a great demand for increased production on the farms throughout the country and a great desire to colonize the vacant lands. In other words, the whole question was of dual significance; our activities were directed to bring about two desired conditions. And now we are faced with the same dual question. I agree with what has been said by the minister, that Canada has dealt generously with our returned men. No one who has worked on any of the committees or has gone through the estimates year after year and studied the whole history of our legislation in this regard and the expenditures involved, can dispute the fact that this country has done generously by the soldiers, whether under this or under the former government. And it was the former government that passed most of these acts. I am not going to labour that fact. I am however stressing the point as it affects the finances and the future wellbeing of the country; and while I never advance an opinion as a dictum of fact, at the same time I give it as my opinion that any policy which will retain as great a percentage as possible of men on the land, without sacrificing too great a proportion of the money which has been expended in financing them, is a sound policy from the point of view of the country at large. That is the question for us to consider. In 1922 we tried such a policy to a limited degree. Abandonments were becoming alarming and we tried the reduction of the annual payment by the cancellation of interest during those first years. The result was immediately apparent; abandonments were reduced by almost 50 per cent in that particular period, by reducing the annual payment to an amount that could be met fairly under ordinary conditions. Such a policy would serve to retain a great many of the more valuable men, and that was our reason for asking that this measure be continued. We took another thing into consideration. The minister must remember that in dealing with the percentages of payments made during the last few years we are dealing with payments that are far lower than those which will be made from now on. We are dealing with years during which no interest was charged. By the 1922 amendments we reduced the annual payments by a very heavy percentage, and it was then that the comparatively favourable estimates as to repayments were computed. That is one thing which we must always take into consideration.

The question is, how far is it necessary to go in order to keep those men on the land? That brings up another point. We have been accustomed to look upon land value as the mere price of the land itself, we have been so accustomed to think of it in the terms that a thing is worth what you can get for it, that we forget the other point, that in our colonization and in our soldier land settlement—which is simply another form of colonization—the payments of the land must be made out of production; in other words, it is the productive value of the land which is the final criterion of its worth in any colonization scheme which we hope to be permanent. It is a question whether on land at a given price a man can produce sufficient wealth to pay his ordinary overhead expenses to carry on the farm and his living expenses and have a sufficient surplus left to take care of this indebtedness. That is the question. If the value is put beyond that point, it does not matter whether we can sell the land or not, it is beyond its real value so far as the

settler is concerned, and we cannot hope to retain him there. A significant feature in this connection was disclosed in the committee, when it was shown by the officials that as far as possible their policy was to sell abandoned land to men who already held farms in the immediate neighbourhood. Their reason was to spread the security over a larger volume, and they considered that a man who already held an unencumbered farm was better able to meet his payments than the man who was just settling on the land.

Another fact must be taken into consideration. We have discussed rural credits at different times, and it is the consensus of opinion and experience that no rural credit measure is safe unless it is based on at least a 40 or 50 per cent equity in the property held—an admission at once that you cannot expect a man to meet his payments if the loan covers the full value of the property itself. In other words, it is not a safe loan. Here we have 100 per cent loans based on prices paid at a time when the productive value was much greater than it is at present, and we expect those men to carry on. From my experience, Mr. Chairman, I say it simply cannot be done. The result is an inevitable drift away from the land, and its resale at what I think will eventually prove to be lower rates to incoming settlers or men already established in the neighbourhood. I would point out to the minister that the statement that there has been an appreciation of values is based on the assumption pure and simple that during the twenty-five years every cent of principal and interest will be paid as it becomes due. Judging by the experience of our own land settlement and colonization and by the experience of rural credit associations throughout the world, and bearing in mind the difference between 60 per cent and the total value of the farm, I think no one will venture to say that that assumption is sound, that simply because someone else has taken the title deeds and agreed to pay so much money for twenty-five years a real appreciation of value is shown or an actual loss avoided. I should like to speak further on this subject, but I am so intensely interested in it that I am in danger of speaking at too great length. Therefore I intend to discuss it in detail when the bill is before the committee, because I realize that there is nothing more we can do than impress our arguments on the minister and perhaps induce him to bring in more generous terms for the revaluation of live stock.

One other recommendation was made by the committee, a very important one. Recognizing the fact, as portrayed by the member for Bow River (Mr. Garland), a fact that is known to many members of this House and is familiar to the board itself, that during the two or three years of excessive moisture land was sold which under normal conditions was found to be useless, we recommended that power be given to the board wherever such a state of affairs existed—a state to which they themselves had contributed, because although the minister is correct in stating that the men so affected asked for such farms they depended to a large extent, especially where they were young men with little experience, on the opinion given by the inspector; in short, the responsibility was dual—for to re-locate the settlers. Realizing that, the board themselves stated that they would gladly accept this power and transfer those men to better farms free of expense, which means that they would be credited on their new holdings with any moneys which they had paid on their old lands, and that the loans for seed, feed and subsistence which had been granted to them during the bad years would be cancelled.

I know the minister is sincerely anxious to do the best possible under the circumstances, yet I believe he has failed to grasp, or his officers have failed to impart to him, the serious situation in the country with regard to those men who need our consideration. I am not blaming him, and I am not saying one word against his officers. It is human nature in any organization for the men engaged in it to make the best possible showing in their reports. Have we ever found any public officials who would not say that their department was well conducted, and that any expenditures made would be returned? They all do it. In resuming my seat I would simply state that when the chairman of the board is in his place, and the minister is in a better position to answer questions and to really discuss this intelligently, I shall then say what I should like to say now.

Mr. MORRISON: Mr. Chairman, I have no criticism to make of the Conservative government that was in power when this scheme was put into force. Undoubtedly the government of the day ran up against a situation which was without precedent, and I believe they did their utmost to be just to the soldiers; and I believe the present government are also doing their best along the same lines. Many soldiers do not need or are not entitled to any readjustment of their case, but there are a considerable number to whom a readjustment is due. We have to

keep in mind the interests of the taxpayers as well. The minister has said that the soldier accepted the valuations as fair. But we know that at the time these lands were valued—and the soldiers did not want to wait any longer; we could not blame them for that; they wanted to get settled on the land —land values were abnormally high. We cannot rest the whole case on the statement that the soldier's judgment was not good, because we can all call to mind cases of scores or hundreds of good farmers who bought lands at too high a valuation.

Mr. GARLAND (Bow River): For fear of any misunderstanding being allowed to arise out of this discussion, may I ask if it is not true that in every case of the sale of land to a soldier that was to be purchased from a private owner, officials of the Soldier Settlement Board itself had to pass upon it before the soldier got it?

Mr. MORRISON: Yes, I agree to that. We are all very wise to-day about revising our ideas as to the valuations of land, houses and stock of all kinds. But the biggest financiers in Canada made the biggest mistakes, so why should we say particularly that the soldier did not exercise good judgment? How can you expect him to be infallible in his judgment on a question like this when many of us who were at home, engaged in our own line of business all the time, made mistakes by which many of our people were ruined? For the most part those who were valuing the lands, at any rate those who came under my notice, were doing good work. There have been some reports that some of them did not do good work; I do not know about that. But I do say we cannot afford to drive too hard a bargain with those men. When the call came for men to serve Canada the boys did not stand back and drive a hard bargain with the country. They did not drive a bargain at all; they enlisted and gave their services, and it is up to us to treat them generously. By this proposal the government is making a readjustment in respect to the live stock purchases, which amounted to $13,500,000 out of a total of $103,000,000 or about one-seventh of this purchase contract. I think the government should revalue the lands of those who find themselves in difficulties. We cannot afford to let good men be crowded off their land on a score of this kind. It was an uncontrollable situation that arose; we cannot place the blame on anybody. The judgment of the government of the day has not been sustained by circumstances. The judgment of those who valued the lands, and the judgment of the soldiers was all wrong; that has been proved by time. But surely it is harsh treatment to crowd men off the farms when they have put their all into them—what little money they had—and when they have given years of hard work upon them. If we crowd them off we have to resell to somebody else, and we have idle and dissatisfied citizens on our hands.

Mr. CARROLL: Does the hon. member know how many soldiers were forced to leave their land by foreclosure or otherwise?

Mr. MORRISON: No, I have no idea of the number.

Mr. CARROLL: It would be very small.

Mr. MORRISON: A few days ago an item was before the House for defence purposes. Now, the best means of ensuring the defence of Canada is to have the great masses of the people proud of the country, thoroughly satisfied, and prosperous.

Mr. WARD: I have here the information the hon. member (Mr. Carroll) asked for. There have been 5,780 abandonments up to date.

Mr. CARROLL: I was not asking about abandonments; the majority of those were voluntary. What I wanted was the number of those who were forced by the government or by the board to get off their farms by foreclosure or otherwise.

Mr. MORRISON: No men voluntarily left their farms; they were practically forced off by circumstances.

Mr. ROBB: Why does my hon. friend talk such nonsense as that? A man in my county ran away not long ago and left his wife and children stranded and under the care of neighbours.

Mr. MORRISON: Well, it is even more nonsensical to take an exceptional instance and put it forward as an excuse for failure to act in a case like this.

Mr. ROBB: It is simply by way of answering the suggestion that nobody voluntarily left his farm.

Mr. MORRISON: It is easy to find one individual case of an exceptional character, and set it up as an excuse for not doing one's duty, but it seems to me that is getting down below the level of what should be the attitude of a minister. If we want these soldiers to be satisfied and to be good citizens, it is up to the country to treat them generously and to revalue the lands of those who are in such a position that they cannot get from under their load of debt.

Mr. SPEAKMAN: I quite realize that the language of the Minister of the Interior was not definite in this respect, although I took it as definite. In fact, I took it as so definite that these provisions of the recommendation would be carried out and some method of dealing with the situation introduced at this session, that I took the responsibility—and I am only one of many who did—of urging scores of men whose books I had gone through and who had proved to me that they could not pay, to stay with it. I gave them what I understood to be the government's assurance that their case would be dealt with. These men have stayed on their land, at considerable loss, in the hope and, as they believed under the assurance, that a satisfactory measure would be brought down this year.

Mr. IRVINE: May we take it as the final decision of the government that nothing more will be done with regard to the revaluation of the soldiers' lands?

Mr. ROBB: That is a fair question: There is on record a report of the Ralston commission. The Ralston commission, and they were soldiers, say that the time has not yet arrived when revaluation can be fairly made, and there are twenty-five years to run from the date of purchase. It will be time enough for a future government to consider this.

Mr. LEADER: I think the minister lacks considerable information when he states that not so many soldier settlers are leaving after all. I know parts of Manitoba where 60 per cent of the settlers in certain municipalities have already abandoned their farms. Bankers and other reputable men in the district, some of them having been engaged in farming operations there for years, say that much of this land was purchased at 30 or 50 per cent in excess of its actual value and that the soldiers have not an earthly chance to make good under the present conditions. The soldiers have not got one possible chance in the world of making good under the conditions under which they are labouring now. I will not take up any more time, but I think the minister should be seized of the fact that a great many of these men have already left their farms, and it seems to me a pitiable shame that no attempt was made in the last three or four years to maintain some of these men on the land on which they had settled, and some of them are the finest you could possibly get. I know some of the settlers who possibly did not understand the business of farming, but who meant well. I know two young Englishmen who came over from the Old Country persuaded to take up land. These lands were appraised and recommended by some official of the board, and upon that recommendation these two Englishmen took up the land. The result was that they have not only lost their land and all the improvements they had made in two or three years, but $1,200 of their own money as well. I took this case up with the Minister of Justice, and he was kind enough to reply to my letter, and to state that he would like to know some way of retaining these men who are already on the land if we could do something to keep them there, instead of bringing in new settlers.

Mr. IRVINE: Is the hon. member sure they did not leave for the reason the minister mentioned a few moments ago?

Mr. LEADER: I believe they were bachelors. That is all I have to say at the present time.

Mr. POWER: Just before this resolution passes, I wish to say a few words with regard to the principle. I agree with some of my hon. friends opposite that perhaps this revaluation has been made too low. If you are going to admit the principle of any revaluation at all, perhaps it is, but I do not believe we should admit that principle. I may say that so far as this whole legislation is concerned, my hands are fairly clean in that I opposed it from the very beginning. Those members who were in the last parliament may remember that on every occasion on which there was any question of soldier land settlement or advances to soldiers for the purpose of land settlement, I opposed it every time as energetically as I possibly could. I do not wish to pose as a prophet; I leave that to my hon. friend from George Etienne Cartier (Mr. Jacobs), but at the time this legislation was brought down I pointed out that the loans were too high, that the settlers were putting a halter around their own necks, that the legislation was discriminatory in that you were loaning money only to a certain class of the soldiers and not advancing it to other classes of the soldiers. I pointed out that it was useless because these men would not remain on the land, and that for years to come the soldiers would be coming before this parliament asking us to remit their interest or principal. Each and every one of these prophecies has come true. I simply wish to call the minister's attention to that fact.

As to this legislation itself, may I say that it makes discrimination still more discriminatory in that the poor devil who has paid for his land, who has worked hard enough

to pay for it, will now be penalized, whereas the man who has been too lazy to do the work he should have done is now allowed to obtain two or three or four or five thousand dollars, as the case may be, from the government. The man who has worked hard and has been obliged to abandon his land owing to circumstances is also being penalized. I think the whole legislation was bad from the start, and that we are not making it any better by what is proposed now.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILL

SECOND READING

Bill No. 141, for the relief of James Hooper Robins.—Mr. Clifford.

SOLDIER SETTLEMENT ACT, 1919, AMENDMENT

The House resumed consideration of the resolution of Hon. Mr. Robb to amend the Soldier Settlement Act, 1919 and amending acts, Mr. Gordon in the chair.

Mr. NEILL: I have already spoken on the percentage of reduction on stock, and I wish to say a few words with regard to the revaluation of land. The general principle governing that question has been so well stated by hon. members who have preceded me, notably the hon. member for Bow River (Mr. Garland) and the hon. member for Red Deer (Mr. Speakman) that I will not go into that phase of it, except to give a general support to their views. I wish, however, to deal with a matter which they did not cover, and that is a phase of this land question as it arises in British Columbia. As we know, the prairie is comparatively easy farming. In British Columbia, with very few exceptions, it is a question of going into the bush, and as the expression goes, hewing out a home. It sounds very nice and romantic, but it really should be interpreted, grubbing up stumps. The district I more particularly wish to allude to is the settlement in the neighbourhood of Courtenay and Merville. The provincial government undertook to make a settlement there very soon after the return of the men. They undertook to clear so many acres for each man, and the cost ran from $400 to $450 an acre, exclusive of the price of the land, and it was not very well cleared even then. The situation became so acute that the provincial government were compelled, by the force of circumstances and by the fact that the men were utterly incapable of carrying on under the burden which that high cost of clearing imposed upon them, to make a revaluation of the land by which they cut the value down substantially. The Dominion farms lie right alongside that district, and the land and stumps are similar. When the Prime Minister and his party were in British Columbia last summer they gave us the honour of a visit in the Courtenay district, and the Prime Minister was kind enough to receive a deputation of soldier settlers, and also went out and I think the Minister without portfolio, from Ottawa, went with him to see the land. We showed them land with stumps which would run from two and a half to four feet in diameter, and some even five feet. They were so close together in places that you could very nearly walk across the land without treading on the soil. This land was adjacent to Merville. It will take nearly a box of powder to blow out one stump, and the powder will cost about nine dollars and the labour in addition. It will occupy a space of from ten to fifteen square yards. When you have got it out you have a large hole in the ground, and when you have filled it in, then you have a piece of land that will not grow anything for from two to five years, because the sub-soil has been brought to the surface. Until it has the aeration of the air and sun on it, it will not grow anything. That is the sort of land we showed the Prime Minister. If you estimate the stumps from thirty to forty to an acre on the basis I have suggested, it will cost from $300 to $400 an acre to clear this land after you have bought it. It is not like prairie land that you can put a plough right into.

Mr. GARLAND (Bow River): Is this land within the district that was so eloquently described yesterday by the Minister of Public Works (Mr. King) as being highly productive?

Mr. MEIGHEN: That is worse still.

Mr. NEILL: The district which the minister was describing yesterday has no connection with this. But if my hon. friend wishes to go into that side line, I may say that the Comox valley is known as the garden of British Columbia, delta lands formed many years ago by rivers and they are covered with a deep loam. What I am describing is bush lands covered by heavy timber, and all British Columbians know that this land is second class land even after it has been ex-

pensively cleared in the way I have indicated. This delegation that waited on the Prime Minister showed that they paid $45 an acre for that land in its uncleared state. They also showed that the present price of land in a similar condition right alongside was $7.50 an acre. Further than that, they showed that the value of that wild land at the time they bought it was only $7.50 an acre and they are prepared to produce evidence to that effect. It is frankly admitted there was bad management in the purchase of it.

I think the late government and the present government are to be congratulated on the almost entire freedom from any suggestion of graft in the purchase of all these lands. That was a wonderful achievement. It was a big order. There was no experience to guide those who handled the matter, and yet there have been few suggestions of any impropriety in the purchase. The trouble has occurred more in the shape of bad judgment. Men not fit for their jobs got appointed as supervisors and they lent themselves to the purchase of land at too high a price. There was also what I might almost call an hysterical condition prevailing at the time. There was a great condition of emergency. These men were coming home by the thousands and something had to be done for them. They were exigent in their demands, and that attitude was more or less reflected in the action of the government. Be that as it may, these lands were bought at $45 an acre when they were never worth even at that time more than $7.50 an acre, according to the public valuation. I have an intimate acquaintance with this class of land, because many years ago I took up a quarter section of land of the same character, though not nearly as heavily wooded. I paid $3 an acre for it, just three hundred times too much, because anyone who clears land of that description ought to get it for nothing and be given a bonus for clearing it. I speak from painful and practical experience in the matter.

The minister tells us that there is no need to revalue this land; that where they have salvaged lands, they have resold them at a better price. Naturally, if you have a lot of stuff on your hands, whether it is farms or horses or anything else, you sell the best first, because the public will always buy the best first and you cannot make a comparison by taking the picked pieces which are sold first. When it is all sold—and it will be difficult to sell a great deal of it—they will have an idea whether they can salvage it at a better price than they paid for it, and I am satisfied that that will not be the case.

[Mr. Neill.]

I have looked up the minister's remarks in Hansard, and he said that while he did not admit there was any need for revaluation and he was not prepared to admit that the value of lands had fallen since these men bought their farms, he did admit that in certain cases they had been, I think he said, overpurchased. If that is the case, we will accept it for the moment for the sake of argument, although I cannot accept it from my own experience. We will say it is true that in the great majority of cases the land has not gone down in value. If that is the case, how much easier it is to pass this legislation for which we are asking? In the cases where he does admit there was overpurchase or impropriety or graft, how much more necessary and easier it will be for us to remedy those particular and, as he suggests, more or less isolated cases. This will make it easy to put the matter right at a comparatively low expenditure. Another suggestion is made that if we go into this it will be too costly. The reasons I have already given would operate against that. If there are not many cases, it will not be costly. But another reason is that it cannot be costing you anything if it is already lost. The value of these properties disappeared six years ago, or whatever the period was when the government supervisors recommended the purchase of the land at $45 an acre when it was worth then only $7.50 and is worth only that now. To legislate out a bad debt will not make you any poorer. It is simply a question of paper bookkeeping and of not throwing out men who are now on the land. The hon. member for Quebec South (Mr. Power) said: Is it not right and proper that the Soldier Settlement Board should deal with this matter as a business enterprise? By all means, and if you have an insolvent debtor on your hands, is it not good business methods to make the best you can out of your loss, not to increase it, not to stand by and say: We will demand our pound of flesh, when you know perfectly well it is unobtainable? Nothing can be gained by that. Is it not better to help the debtor if possible so as to retrieve as much as you can reasonably, and let the rest go rather than insist on your pound of flesh and, perhaps, in the long run get a great deal less? There is additional encouragement in this case in that we would be keeping the soldier on the land. Surely that is desirable. He has put his money and so on into it. If we salvage him, which is a polite way of throwing him out, and sell the land to someone else who is not a soldier, who may be a British subject, but

who was not a soldier for us, that man will not pay more than the standard value. He will take care to see that he does not pay any more than the actual cash value to-day. What is to be gained by throwing out this soldier who, after all, has some claims, because when he came back from the war he was not familiar with real estate values and with the locality. We sat at home; we knew the values and how to sell to the best advantage. But these men were, perhaps, not locally informed as much as they might be. They came at any rate and located, and it is in our interest, apart from any sentimental regard at all, to see that they stay on the land if that is reasonably possible, which will involve no real loss to the general public funds, because you are not going to get the full price out of them in any case. You can force them out if you like and that is all you will do.

As regards the forty per cent and the twenty per cent on stock, I have already dealt with that. While I regret very much to see it, possibly that will be regarded by the men as a half measure that is better than nothing. But this is such a far more important issue that I would beseech the government to reconsider it. I do not think there was an absolute note of finality in the minister's remarks, and I believe if this committee showed a full expression of its views on the matter, he might yet be led to reconsider the question of revaluation. It is of no use to talk about revaluing the land twenty-five years from now. You might as well talk about revaluing it in the next world. These men will be gone. They cannot wait for twenty-five years paying interest on an absurd valuation with some vague, nebulous hope that twenty-five years from now they may have the land revalued. That is not business. If you are going to give the man relief, give it to him now and let him know exactly what he has to face. In that event he will be encouraged to go ahead. Men who are now hanging fire will say: This is something we can overtake, and they will make an endeavour to meet their obligations if they are brought down to a reasonable basis. I hope the minister will be induced to reconsider this phase of the subject.

Mr. STEWART (Argenteuil): Is that the only case in the hon. member's constituency or on the island in which there has been an overvaluation? A valuation of $45 would seem to be enormous when the actual value of the land was $7.50. Surely there are not many cases of that kind.

Mr. NEILL: The deputation that met the Prime Minister and his party consisted of only three or four, but if I remember rightly their association numbered something like forty, although I am speaking only from memory. I have no doubt there were other cases, but this particular settlement would be somewhere about that number.

Mr. STEWART (Argenteuil): That is not generally true of the soldier settlers.

Mr. NEILL: I speak only of that particular place but I know other places in my district where the same thing is more or less true, such as down in the lower portion, in the neighbourhood of Errington and Parksville; and in a general way the same thing is true of every section of land where these men were put on what is known as high bushlands, where the removal of the stumps would cost anywhere from $200 to $400 an acre. And it is well known that after this has been done the land is only what we would call second class; you could not grow roots with any great success. The land is dry and you have to put your crop in early in the season, hoping to take it out before the dry weather comes. The crop would be limited to oats hay, timothy and produce of that kind.

Mr. SHAW: I had not the advantage of hearing the discussion this afternoon of this important and long anticipated resolution. I must express regret that the government in the resolution which they have proposed have not adopted the percentage revaluation of live stock which, if I remember rightly, was agreed to by the special parliamentary committee of last year. The percentages had been worked out by that committee with great care, after hearing all the officials from the department, and the proposal was that 60 per cent and 40 per cent would afford reasonable reductions. I join with others who have spoken in regretting that the government has not provided for this 60 per cent and 40 per cent revaluation; and I agree with the hon. member (Mr. Neill) that a far more important matter than the one we have under consideration is the matter which the government has apparently omitted, namely, revaluation of soldier land.

I have not been able in the limited time at my disposal to place my finger on the exact spot in the evidence of last year, but I know that that evidence indicated that some 4,500 soldiers had become adjustment cases, having abandoned the land, and the department was left with the live stock as well as the land of these abandoning settlers. In addition to that, as I believe the evidence will show,

about 5,000 more soldiers are as it were shivering on the brink. A favourable turn in the tide of fortune would give these men an opportunity to prosper, whereas a recurrence of the conditions which have persisted through all these latter years will simply result in their cases also passing into the adjustment class. Their farms will be salvaged while those that are not salvaged will perhaps be abandoned because of failure or inability on the part of the soldiers to carry on successfully.

It is with regard to these 5,000 soldiers that parliament must take some effective action. These men must if possible be preserved on the land, because if these farms revert to the government there can be no question that the government will lose a very large amount of money, a larger amount than would be lost by any revaluation that might be made. It is suggested that a system of revaluation would be altogether too costly, but it is my view that failure to undertake a revaluation will be much more costly. This was a tremendous colonization scheme which the Dominion adopted, and it seems to me that the government can very well take every possible step to ensure its success. If they do not then they will have more abandoned land on their hands and the soldiers will have to go to other countries to find more favourable opportunities to achieve success. And apart from all that the country will be burdened with a tremendous loss.

Last year this situation was thoroughly considered and the committee had before it two possible steps that might be taken. In the first place there was suggested what might be called mass action; it was proposed to give a remission of interest to every soldier irrespective of whether or not he was successful. It was suggested that the benefits of such interest remission should be shared alike by the deserving and the undeserving. Frankly, I do not approve of that method of handling the situation; it would be only a temporary measure at best and could not be successful. In 1922 the system of interest remission was tried and at that time, although I am not a farmer, I expressed the fear that such a plan would not succeed; and certainly the intervening years have amply demonstrated the correctness of the view I then took. I would point out that this scheme of interest remission is not fair either to the soldiers or to the public at large. It is not fair that the soldier who does not need it should get it, nor is it fair that the public should be called upon to bear the burden of a reduction in interest which is unnecessary and which advantages many of the undeserving as well as the deserving. The other method of handling the matter is by a system of revaluation of the land—individual action with respect to every parcel of land, having in mind the applicant himself, his efforts in the past, the possibilities of his success in the future, and the probable conditions for the future. Taking all these things into consideration, somebody could determine whether or not a revaluation in any particular case should be undertaken. I believe that a revaluation of the land should be carried out by a competent organized arbitration board in each land settlement district. I do not for a moment suggest any cumbersome machinery; but if the Soldier Settlement Board cannot make an effective and final arrangement with the soldiers themselves, then a simple arbitration board should be constituted which would make a final award so far as reduction in the capital value of the land is concerned.

I regret that the minister proposes no action in this regard, for I certainly think that action is called for. I had understood all along that something was to be done, and I am quite sure that a large number of soldiers are vitally interested in the proposition. When therefore they hear the minister's decree in this matter they will regard it as to some extent the death knell of their hopes, and a great many of them will join the long list of those who have already abandoned the land. In conclusion, I say that Canada cannot afford now to fail to undertake this task. If we do not undertake it to-day we are bound to undertake it to-morrow; and before we have further tremendous losses on our hands why should we not discharge to-day the duty which lies before us? I have no doubt that if the government will reconsider this matter carefully they will find that in instituting some system of land revaluation at this session they would merit the confidence and esteem of returned soldiers generally.

Mr. WARNER: Mr. Chairman, I never want to let an opportunity go by to urge on parliament the necessity of doing something this session to relieve our returned men. A great many of them in my constituency are making a desperate effort to hold on until they know what is going to be done this session to help them out. They are up against an impossibility, as we all know, because their land has doubled in value since they bought it; but not in dollars and cents; in this respect its value perhaps has not varied very much; but the value of the products

they get off that land has been cut in two, and that virtually means doubling the price of their land. And all of the trouble does not lie there even. The cost of the stock and equipment and the land taken together makes their position absolutely untenable. I have discussed with a good many of them how much they thought would have to be cut off from their indebtedness before they would have the courage to carry on until they made good, and their estimate varies all the way from 30 to 50 per cent. I think we can strike between those two marks and get approximately the right percentage. I think most of them are looking to the Ralston commission's report as a guide for parliament, and they would probably be satisfied if its recommendations were carried into effect. I have often wondered whether it would not perhaps be better to cut a certain percentage off each man's indebtedness on his undertaking to carry on and try to make good if this measure of relief is given. I think that would suit the men just as well as a revaluation. In fact I do not know what we could do that would relieve them by revaluing their land on the basis of dollars and cents, because their ability to pay depends on what they can obtain from the produce of their land, and such a revaluation might not be altogether satisfactory as well as being difficult and expensive to carry out. I am so convinced that these men should be kept on the land if it is at all possible that I want to urge on the House that something should be done this session to that end, for if we wait even until another session many of these men will have become discouraged and drift into the towns, where they will be hunting for jobs that other people already need very badly, and we cannot afford to have that condition of affairs take place in connection with the returned men. The country is going to lose a certain amount of money, but I do not think we need be so afraid of losing a few dollars, because these men have already lost more than we can repay them in a lifetime. We want to do something that will keep them on the land, for they are better settlers than any other men we may replace them with. These soldier settlers may not all make good, but where will you find any class of people who are uniformly successful? As one hon. member said this afternoon, when these soldier settlers went on the land even men of the soberest and soundest judgment had wild ideas of what could be done, and many of them expanded their business and lost heavily. So we should not blame the soldier settlers if under the advice of the board some of them have made mistakes. Under any circumstances I do not think we can afford to let this session close without doing something to relieve these men so that they may know where they are at. As I said before, I think the better plan would be to cut a certain percentage off each man's indebtedness.

Mr. NEILL: Would not a flat reduction in each man's case result in a great many men getting a small reduction who do not want it and are not entitled to it, while those who are badly in need of help would get a very small reduction which would be no real value to them?

Mr. WARNER: Very likely some inequalities would crop up, but I think it would be a fairer way than attempting a revaluation and would be less expensive. As we all know, taxation involves a certain amount of inequality, and we cannot get these matters on an absolutely accurate basis and this is a very similar problem. Many of the men have tried to carry on and they have kept reports from day to day of what they have done. I have looked over some of them and I think they would be a credit to any business man. Most of these reports disclose heavy losses, and unless something is done it is certain that many of the men will lose their own money as well as their soldier settlement money. It is vitally important that we act at once, and I would warn the House of the danger of delay. Twenty-five years from now there will never be any need of a revaluation, because long before that time many of these men will have been forced to give up what already appears to them to be a well-nigh hopeless struggle. I am a practical farmer, and I think I know what they are up against, and if I were in their place I believe I would be just as much discouraged as they are. I like to see young people brought up to understand the necesssity of laying the foundation for a competence that will take care of them in their old age, but if they drift along beyond a certain point they lose the inclination to make the necessary effort to establish themselves on a firm basis. While I am very anxious to see everybody do what he can to take care of himself, I cannot help thinking that the position of these men when they took up land was different from that of the ordinary citizen. It is either a case of their making good or of their becoming a charge on the country. The matter is a serious one, and the appeal on behalf of the men is such that if the hearts of hon. members of the House are right, something will be done this session if at all possible.

Mr. McQUARRIE: I cannot retain my seat in silence and thereby intimate that I am satisfied with this legislation. I feel that the government are not doing enough in this legislation for the soldier settlers. In my constituency there are quite a number of these settlers, and I have the highest admiration for the manner in which they have conducted themselves, for the work they have done and for their efforts to make good in the face of an almost impossible situation. I am confident that the great majority of them have done the best they could with the properties they have taken hold of, but they have had much to contend with. The class of farming done in New Westminster constituency is more or less mixed farming. After the soldier settlers had taken over their properties certain changes were made in the United States tariff, and those changes have had a very material effect on the soldier settlers. We produce in the Fraser valley such commodities as hay, fruit, potatoes, butter, cheese, eggs, cattle. We find that the United States tariff on hay is $4 a ton, while the Canadian tariff is $2; on fruits, United States, 35 per cent; Canada, 25 per cent.

The CHAIRMAN: I think the hon. member is getting away from the particular resolution before the committee.

Mr. McQUARRIE: I submit not.

The CHAIRMAN: It strikes me that he is. The question is whether or not it is expedient to approve this legislation.

Mr. McQUARRIE: We have heard a great many suggestions this evening along different lines, and I submit that this is strictly in order. Of course I must bow to your decision if you so rule.

The CHAIRMAN: I think the hon. gentleman is beside the question just at the moment.

Mr. McQUARRIE: Then I assume I may proceed along lines which were taken by other hon. members.

The CHAIRMAN: As to the expediency of passing the legislation, yes.

Mr. McQUARRIE: I think the government should consider this question of the revaluation of the lands. There is no doubt that in my constituency as well as in others, lands were valued at too high a figure; that a revaluation either by a commission or by the department would show that the soldiers paid altogether too much for their land. I join with other hon. members in demanding that the government should at this session make some provision for a scientific revaluation of these lands. I understood the hon. member for West Calgary (Mr. Shaw) to say that he was not in favour of interest remission. I do not agree with him in that; I think it is a matter which might well be considered. There is a very strong feeling in my constituency among those interested in the soldier settlers, as well as among the soldier settlers themselves, that this would be an effective way of showing consideration to these men. The hon. member who preceded me mentioned the matter of debt reduction. That is another method which might be considered. The hon. member for Comox-Alberni suggested that some men might get reductions who did not want them, but it seems to me that that would be contrary to human nature, because any soldier settler or anybody else would want whatever consideration he could get in that line.

Mr. WARNER: And are the soldier settlers not entitled to all the reduction they can get?

Mr. McQUARRIE: I think they are; I quite agree with the hon. member. We should treat these men fairly. It should not be a case of a money lender demanding his pound of flesh. The department, I know, has been anxious to get back all the money it can; in fact some of the representatives of the government, I think, have been rather hard on the men, and there have been cases where the men have been badly treated. But there is something more to consider than the business proposition of getting back the money which has been loaned. The original idea of settling soldiers on our lands was a splendid one. It is all right to expect them to pay if they can, but I would urge on the government the necessity of doing something more than is contemplated in this legislation.

Mr. EVANS: I would like to add my voice to the appeal made to the government for a more generous measure regarding the revaluation of the soldiers' live stock and land. Some time ago I received a letter from the provincial secretary of the Great War Veterans' Association giving an account of a convention that was held at Saskatoon on the 17th, 18th, and 19th of March. If there is one thing noticeable about the resolutions that were passed at that convention, it is their reasonableness and the moderate tone in which the convention put forth their demands.

Regarding land revaluation the resolution reads:

Whereas the price agreed to be paid by soldier settlers for land bought from the Soldiers' Settlement Board is too high in most cases and is a burden which will be impossible to carry and unless adjusted will result in the abandoning of the land, the failure of the scheme, the loss of the settler's stake and hardship and suffering,

Therefore be it resolved (a) that the Soldier Settlement Act be so amended as to make provision for the revaluation of all land (particularly raw crown land) purchased by soldier settlers from the Soldiers' Settlement Board, such valuation to be on an arbitration basis, to be optional with the settler and to be based on the condition of the land at the time of purchase, and that the necessary adjustments be made accordingly. (b) That there be a revaluation board in each district consisting of three members, one to be appointed by the Great War Veterans' Association, one to be the District Superintendent, the third to be a disinterested man familiar with land values to be appointed by the two already appointed.

That is moderate in tone, and I think very reasonable. Their resolution regarding the revaluation of stock is based on what we took to be the promise of the government twelve months ago, and reads as follows:

That the act be further amended so that a capital cut be made in the price of stock purchased from the board as follows:

60 per cent reduction of the purchase price where stock purchased prior to December 31, 1920.

40 per cent reduction of the purchase price where stock purchased prior to December 31, 1921.

20 per cent reduction of the purchase price where stock purchased prior to December 31, 1922.

Speaking as a practical farmer I must say that during the period in which the soldiers have been settled on the land, it has been practically impossible to make ends meet. Between drought and the deflation of prices even the experienced settler could hardly make good. I think the soldier settler who has failed to make good on the land since 1918 certainly has a claim on this country. He was expected to be looked after, I know, but most of these men are very self-reliant, and I do know many cases where hardship has existed on the farms both among the men and the women during the last two or three winters. I say they are deserving of all the help we can give them. They have a claim on the country. Once a man has faced death for the defence of his own home and of his fellow countrymen he must not be left in a precarious position during the rest of his days; I think it is only reasonable to take that stand.

While it is plain to this House that the members, particularly on this side, are united in their appeal to the government for a more generous measure of revaluation, if the government want a more pronounced verdict from our own group I would ask them to lay this over for the present as a great many of our members are away to-day attending the funeral of the late Mr. Drummond. I think it would be well for the government to reconsider this resolution, which is to be the basis of legislation to follow, and bring in later a more generous measure both as regards live stock and land. I appeal to the government to do this.

Mr. CALDWELL: Mr. Chairman, I must confess at the outset that I am very greatly disappointed in the measure that is proposed to be brought before the House with reference to the revaluation of soldiers' stock and equipment. I felt assured last year when the committee's report was adopted by this House, with certain reservations by the Minister of the Interior, that we could not expect anything less than the recommendations of the committee as to the revaluation of the stock at least. I also hoped that there would be a substantial reduction in the liability of the soldier with regard to his land.

I was somewhat surprised this afternoon to hear some of the arguments the Acting Minister of Finance put up in defence of his present stand on this legislation. In the first place he said that the soldier settler was satisfied with the price of the land. I think, Mr. Chairman, those of us who were fairly closely connected with the work at that time, and everybody in this country as well, realized that these soldiers were young men who had spent three or four years in the zone of war, and knew nothing or very little at all events about prices here at that time. There was a boom on then for greater production, and prices were high. I know that in the province from which I come there is a very great difference in prices to-day from what they were in 1919-1920 when this scheme was brought into effect. At that time our farmers were getting $20 a ton for hay and two or three dollars a barrel for potatoes. Potatoes are to our province what wheat is to the west; it is our big crop for export, and during the present season our farmers received only eight dollars a ton for hay and I think on an average of sixty cents a barrel for potatoes during the whole season, and thousands of barrels will not be marketed at all, but will simply be dumped, because there will be no market for them. In fact, in only one year of the last four years has the potato grower got the actual cost of growing the crop, and that was in the year 1923, when he got a little more than the actual cost of growing. But in the other three years he

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made a debt on the cost of his production. So conditions are very different to-day from what they were in 1919-1920. Members say that very much higher prices were being paid in Canada then than were justified, but it is not true of New Brunswick. If the price of farm produce had remained at the level of 1919-1920 the soldiers could have paid for their farms at the price they bought them for, but due to the very great deflation in the price of our crop for export in the last four years the farmers in New Brunswick who had a reserve, who were out of debt, who owned their farms and owed nothing to anybody, have been compelled to use up their reserves. Therefore the soldier settlers have had absolutely no chance to make good, and the amazing part of it to my mind is that a number of them have been able to make payments as they came due. Others have made partial payments.

Mr. STEWART (Argenteuil): What is the difference between the general interest rate in New Brunswick as against the five per cent the soldiers get?

Mr. CALDWELL: I think a man would have had no difficulty four years ago in getting interest at six per cent on a mortgage.

Mr. STEWART (Argenteuil): Are they getting that to-day?

Mr. CALDWELL: I do not think so. I doubt if you could get a mortgage on a farm at all to-day. I was talking to a man on Friday or Saturday last, when I was home over the week end, who told me he had foreclosed two mortgages in the last two years. One was on a splendid farm on which the buildings were insured for $10,000, a good producing farm, with excellent buildings, and within less than half a mile of a railroad. This man had a mortgage of $5,000 on that farm, and when he foreclosed he could not get a bid at all. He had a mortgage on another farm of a little less value, farm possibly worth $10,000. He had a mortgage of $4,000 on that, and he could not get a bid on it, when he foreclosed last spring. Real estate in the shape of farm land is a drug on the market in New Brunswick at the present time. There are no sales being made; nobody wants farm land.

Some members have spoken of urging the soldier settlers in their home constituencies to hang on in the hope that the government was going to carry out the recommendations of last year's committee. This has been done in New Brunswick by numbers of men as well as by myself. A number of the soldier settlers have been hanging on, with the pretty firm belief that the government might put into effect the recommendations of last year's committee. I should like to urge the government to at least extend the remission of interest, if they do not wish to make it absolute. Let them extend it for five years or even three years, and thus give these men some hope that eventually they may be able to make good. If times were to revive and became as good as they were in 1920, there might be a possibility of the men paying for the farms.

Mr. STEWART (Argenteuil): My hon. friend is not arguing that we should make a general reduction.

Mr. CALDWELL: There is a possibility it would not be necessary. Personally I think it would. I was in favour—and the committee were practically unanimously in favour—of either a revaluation or a remission of interest. I think the large majority of the committee were in favour of the remission of interest, because a physical revaluation would entail a good deal of cost that would not come to the soldier settler. It would be eaten up in overhead expenses in making the revaluation. In the case of a remission of interest the loss to the country would all go to the soldier. There would be no overhead in making that reduction. One of the reasons why I was so strongly in favour of this reduction of the capital indebtedness—you may call it remission of interest or revaluation, or whatever you like—was that it would mean a smaller loss to the country than would be entailed if you maintained the present price with the present interest, because it is my candid belief that there will not be fifty per cent of the soldier settlers on the farms in New Brunswick in a few years unless something is done along this line. I think the government realize what failure to give this relief will mean. These people will drift into the cities, to swell the ranks of the unemployed, or, what is possibly worse, they will drift into the United States, as many of our young men are doing, and it will not be due to the want of high protection, as our good friends to the right would lead us to believe, but because farm produce is not selling for what it will cost to grow it. The drift from this country is not from the industrial centres, but from the farm, I am very sorry to say. I live in a county called the garden of New Brunswick from an agricultural point of view. I can stand in my door and count seven vacant farm houses in sight of where I live, and I live in as good a part of the country as can be found. My

district is called the garden county of the province and yet our young men are leaving, old folks who cannot afford to hire help at the present price of produce are closing down and going to live with their sons in New Brunswick or in the United States, and the farm houses are being abandoned. It is not an industrial drift from the province, but an exodus from the farms.

Another matter I shall deal with is the report of the Soldier Settlement Board as to the resale of lands for a greater price than they cost. I think this report is very misleading indeed, but I do not want to impute any wrong motives to the Soldier Settlement Board. I think they have been as efficient as it is possible for human beings to be, and have handled the situation as well as could be expected, but the circumstances of the agricultural industry are such that conditions have been brought about over which nobody has any control. I think the report is very misleading. In the first place this supposed surplus price at which properties are sold over the cost is not really a surplus over cost, it is a surplus over what the government held on the property and did not include the ten per cent paid by the soldier. If that were figured in I think there would be no surplus but a loss.

Mr. CARROLL: I think the report made it clear that it did not include the ten per cent.

Mr. CALDWELL: I do not think so. I know it is not clear to the public. We men on the committee know it perfectly well, but to the man on the street it is not clear. When the report was circulated that this land was sold for $700,000 or $800,000 more than it cost—that is the way it was reported in the papers—the man on the street believed that that was actually true. Then these sales, if they were made for cash, would even carry more conviction still; but the fact is that these sales are made on a promise to pay that is possibly not a bit better than the promise the soldier settler made, and just as impossible of being fulfilled. If the board were selling the land for cash the government could well say that they had made a profit on the transaction, but I am afraid they will find eventually that they have made as great a loss on the last sale as was made on the first sale. They will have the lands back on their hands. What will happen if even fifty per cent of the soldier settlers abandon the farms and the lands come back on the government's hands, with the agricultural industry in its present depressed state? Nobody wants to purchase the land and nobody will want to rent it. I know that in our province farmers to-day individually have more land than they can work, because it will not pay them to hire help. A man who has his own help can make a living if he is not in debt, but he cannot hire help at the present prices. The soldier who has moved off the land has lost the ten per cent he paid down on the farm, a matter of four or five or six hundred dollars as the case may be, and he has lost three or four of the best years of his life. He has struggled along under all kinds of hardship and poverty, and at last has been compelled to take his little family and go out on the road without a dollar, hunt for a job, and try to get a house to live in while he earns enough to pay the rent. It is a deplorable picture of the men who marched away from us so gaily ten years ago. I think we all remember the kind of promises that were ringing in their ears when they were told that they and their dependents would be looked after and that they would not have to worry about the future. It is a sorry picture to-day as compared with those promises. This suggestion that the adjustment might be made at the end of twenty-five years is futile, because, as I said, I do not think fifty per cent of the farmer settlers will be on the land at the end of a few years. I have no hesitation in saying that if their present financial obligations are enforced there will be few of them here at the end of ten or fifteen years, and if we are to retain these men the adjustment must be made. While I was very strongly of the opinion last year that the government would be well advised to cut out the repayment of interest entirely, I think if they get the principal back without interest they will suffer a smaller loss than they will sustain if the men abandon the farms.

Mr. STEWART (Argenteuil): In view of the statement of my hon. friend from Comox-Alberni this afternoon, the remission of interest will not meet this case?

Mr. CALDWELL: No.

Mr. STEWART (Argenteuil): Nor will it meet the case mentioned by my hon. friend from Dauphin. With all due respect to the statement of my hon. friend from Victoria and Carleton, if I caught the drift of his remarks correctly, he said that the land was purchased reasonably well in New Brunswick—

Mr. CALDWELL: In view of the then price of farm produce.

Mr. STEWART (Argenteuil): Then in common with all other lands their values must have been on about an equality. The strongest argument in my opinion for a revaluation—and I think perhaps it can hardly be disputed—is the fact that in some cases lands were purchased at a price beyond their value.

Mr. CALDWELL: I think so, too.

Mr. STEWART (Argenteuil): You cannot cure that by a reduction in interest. I just want the hon. gentleman to get a correct idea of this situation when it comes to the question of an equitable adjustment of land values. I was rather struck with the suggestion of the hon. member for Bow River that you might leave it entirely to the board; but to leave the matter, as suggested by the hon. member for Saskatoon, to a local board in each locality certainly in my opinion would not tend to an equitable readjustment of this situation. I think the discussion this afternoon has brought out many of the difficulties that have to be met if this problem is to be solved correctly.

Mr. CALDWELL: I am not married to any particular method. In my opinion, unless something is done, you are going to have dissatisfaction amongst the soldier settlers in this country.

Mr. STEWART (Argenteuil): The hon. member's argument is that there should be a general reduction despite special conditions that may prevail.

Mr. CALDWELL: I think so. I stated a few minutes ago that a temporary remission of interest will encourage some men to hold on who will not hold on if something is not done. If something is not done, some farmers in New Brunswick will leave their farms this summer.

Mr. STEWART (Argenteuil): Remission of interest has been given.

Mr. CALDWELL: Yes, and it has encouraged them. As an hon. member said this afternoon, when the remission of interest was made in 1922 it did encourage the soldiers. Numbers of them hung on in the hope that conditions would become better. If conditions continue as they are in New Brunswick, it will not matter what is done by the government, because farmers will leave who do not owe anybody on account of the price of farm produce being so low in comparison with prices of other commodities.

Mr. STEWART (Argenteuil): The point my hon. friend is making is that the soldier is no worse off in New Brunswick than his farmer neighbour.

[Mr. Caldwell.]

Mr. CALDWELL: He is much worse off. Had the price of farm produce remained as it was in 1920, he would have had a hard struggle. Anyone who has farmed knows that a man who is paying interest on ninety per cent of his whole investment has a tremendous handicap as compared with the man who is out of debt.

Mr. STEWART (Argenteuil): When a man undertakes an obligation of that sort, he has a tremendous handicap in any case.

Mr. CALDWELL: Yes. I had a very close association with this work because I was on the board that helped to buy the farms in New Brunswick the first year the scheme was put into operation. My view was that the soldier was taking a big chance. I said: If the soldier leaves this farm in ten years, he has paid ten per cent down, he has made some subsequent payments and the government will make something out of it at all events. But the soldier is taking all the chances. I did not encourage soldiers to take up this scheme. In fact, I had a pamphlet printed setting forth to the men who applied to us for loans to buy farms in New Brunswick, just what their obligations and their chances of making good were. Many of them backed up when they realized the whole situation. Last year the committee of which I was a member recommended that the Soldier Settlement Board have authority to resettle men, to remove them from lands that were not suitable for settlers. I think the board might well be given quite wide powers in special cases such as those cited by the hon. member for Comox-Alberni (Mr. Neill) and in other parts of Canada as well. A portion of Manitoba was cited this afternoon as being an impossible situation. These settlers should be moved out of those places if there is an opportunity of settling them on land where they can make good. Last year when this matter was before the committee, I discussed it with a field supervisor in New Brunswick, a man in whose judgment I have unbounded confidence, an excellent man who has seen services overseas and who has made good as field supervisor, and he said that he thought the only possible way to retain these men on the land in New Brunswick was to cut down their capital liability. He agreed that a remission of interest was the simplest, most direct, and least costly way, and that the soldier would get the whole good of it.

Mr. STEWART (Argenteuil): That would be quite all right for New Brunswick on the hon. member's own statement inasmuch as he says that the land was well bought.

Mr. CALDWELL: I think it was.

Mr. STEWART (Argenteuil): How would the thing work out in the case described by the hon. member for Dauphin (Mr. Ward)?

Mr. CALDWELL: I would hesitate to set down any hard and fast rule for the whole of Canada. The board should be given wide powers of discretion in cases of special conditions.

The present proposal is to grant relief only to those who are now on the land and who have not made their payments. The man who had some funds of his own and has made those payments out of those funds, or in some cases the man who has married a wife with money who has put her money into the land, will eventually lose it. The man who has made his payments under this scheme is to be penalized or, at least, he is to derive no benefit under this revaluation of stock. I do not think that is fair. The legislation is not well considered along that line. For instance, the man who has not made any effort will get a benefit out of this. It is doubtful, of course, if it will do him much good either.

Mr. STEWART (Argenteuil): The proposal of the committee was along that line, that all should participate just as in the remission of interest.

Mr. CALDWELL: There is one other feature which does not come under this legislation, but I should like to speak of it if I might. I refer to taxes on salvaged lands of settlers. I have urged repeatedly on the government in private and public that they should pay the taxes on soldier settler lands that have been salvaged. The argument has been put forward that government land is not taxable. As regards wild lands, that is all right. But when the government comes into territory that is organized into school districts and buys up one-third of the lands, and they become salvaged, it is impossible for the rest of the ratepayers to carry on and educate their children. This is creating an impossible condition in large areas in New Brunswick at the present time, and the government might very well consider the question of paying taxes on these lands.

I want to endorse the suggestion made by the hon. member for Saskatoon (Mr. Evans). Due to the fact that quite a large delegation of the western Progressives have not returned from the Maritimes, and that another quite large delegation are away at a funeral of one of their colleagues, I think the government would be well advised to ask the committee to rise and report progress without even passing this resolution because a bill will be based on it. The government might well consider the question of bringing down a more generous measure. I would ask them not to pass this resolution to-night, but to allow the committee to rise and report progress and to give the matter further consideration.

Mr. LEADER: Just before six o'clock I made a few remarks in which I intimated that certain lands purchased for soldiers in Manitoba, had been bought at an excessive price. I stated that I had information and proof to that effect. I have at hand many documents that would prove that statement, but I do not intend taking up the time of the committee in reading many of them. I will read just two. This was a survey made by Mr. J. H. Martinson, of Douglas, Manitoba. He sent out a circular letter to different bankers and prominent farmers in Canada, men who would know local conditions in these districts, asking them for their opinion about lands purchased by the Soldier Settlement Board. This is a reply by Mr. J. P. Hernier, Manager of the Royal Bank of Canada at Ste. Rose du Lac, Manitoba:

> In reply to your letter of the 22nd instant, we would say that land bought for $4,000 in 1919 and 1920 is worth about fifty per cent of that now.

In additional evidence, I will read a communication which Mr. Martinson received from General Hugh Dyer, of Minnedosa. He says, in part:

> I yield to no one in my interest in the establishment of returned men on the farm, and speaking generally they have paid 33 per cent too much for everything.

This, I think, will substantiate the statement I made that soldier settlers in my province have paid too much for the land. The minister, this afternoon, intimated—at least that is the way I understood his remarks—that there had not been so many abandonments. I believe that the hon. member (Mr. Caldwell) made the statement that so far as New Brunswick was concerned he did not think that the abandonments had been excessive owing to the fact that perhaps the soldiers had not been overcharged for the land.

Mr. CALDWELL: I do not want to be misunderstood. What I said was that if prices had been maintained at the level they had reached in 1920 the soldiers could have paid for the land at the price at which they had bought it. In other words, I do not think that the price was excessive at the time they bought the land.

Mr. LEADER: Well, had wheat remained at $2.50 per bushel in western Canada the returned men in that part of the country would also have been able to pay for the land. But unfortunately that is not the case. Now, I have an abundance of material to show the present intolerable position of the returned men. Mr. G. W. Langdon, the reeve of Lakeview municipality of Manitoba, made investigations among the different municipalities of the province to discover how many farms had been abandoned in each municipality. He submitted to each municipality certain questions to which he received replies, and while I will not read them all, there are one or two which I should like to quote. The first municipality in regard to which figures are given is McCreary:

1. How many soldier settlers located in your municipality? 80.
2. How may quarter sections did they secure? 85.
3. How many soldiers have to date abandoned their lands? 41.

This would be over 50 per cent. The next information concerns the municipality of Eriksdale:

1. How many soldier settlers located in your municipality? 160.
2. How many quarter sections did they secure? 175.
3. How many soldiers have to date abandoned their lands? 135.

In this case the abandonments are more than 70 per cent. Next I take the municipality of Westbourne in my own constituency:

1. How many soldier settlers located in your municipality? 57.
2. How many quarter sections did they secure? 63.
3. How many soldiers have to date abandoned their lands? 23.

That would be almost 50 per cent. I think that the municipality that has been affected to the greatest extent is that of Mr. Langdon himself. These are all statutory declarations that can be vouched for, and this is the information in regard to Lakeview:

1. How many soldiers located in your municipality? 100.
2. How many quarter sections did they secure? 151.
3. How many soldiers have to date abandoned their lands? 61.
4. How many of these were not former residents of your municipality? 49.
5. How many quarter sections thus abandoned? 91.
6. Approximate amount of your taxes lost through abandonments? $12,037.
7. Amount of outstanding taxes on non-abandoned Soldier Settlement lands? $9,615.

Now, in addition to losing the taxes on these lands the municipality had to make good between $1,000 and $2,000 on account of hospital expenses incurred by the returned men who had no funds with which to pay their bills.

[Mr. Caldwell.]

I was speaking about the soldiers who had abandoned their lands, and was referring to the necessity for a revaluation, not only of stock and equipment but of the lands themselves as well. I am fully in sympathy with the resolution before the House but I do not think it goes far enough and I hope the government will reconsider it and take into consideration the advisability of putting into effect some system of revaluing the lands of soldier settlers. I want to offer a word for the returned men who are carrying on, clinging to their farms in the hope of making both ends meet and of eking out an existence for themselves and their families. This matter was referred to by the hon. member for Victoria and Carleton, who pointed out that lands abandoned and reverting to the crown became non-taxable. This is a deplorable situation in the municipalities such as I have mentioned, like Lakeview. Hon. members know that settlers coming into a new district have to open new roads, build schools, and establish other necessary institutions. All these things were done, and the soldiers have now abandoned the land to the extent of some 60 per cent. All that abandoned land which has now reverted to the crown is exempt from taxation, notwithstanding that the maintenance of all the roads, the schools and so forth must be shouldered by the remaining soldiers and the other settlers in those districts. This entails a considerable hardship on the residents that are now there, and it will spell further abandonments if the government do not reconsider their policy and have these abandoned lands which have reverted to the Dominion taxed as they were before. I believe the government is taking the attitude that it will allow these lands to be taxed provided the provincial governments will undertake to do the same so far as provincial lands are concerned. The Minister of the Interior (Mr. Stewart, Argenteuil) is now here and I should like him to answer this question: Will the Dominion government undertake to have these lands taxed if the provincial governments will agree to the taxation for municipal purposes of provincial lands?

Mr. STEWART (Argenteuil): There was a delegation from the organized municipalities of Alberta and Saskatchewan, and as hon. gentlemen no doubt know, this matter has been before parliament annually. One of the difficulties in regard to the taxation of these lands that have reverted to the crown would be that such taxation would open the door to the taxation of all crown lands. I can

only express my own opinion on this matter inasmuch as the subject has not been discussed by the government since the delegation made their representation; but it would seem to me that where land which was formerly owned privately in the municipality was purchased by the board and has now been abandoned, becoming crown land, perhaps some consideration might be given. On the other hand, however, there is so much of this area which was crown land previously and was not taxed prior to the time the soldiers went on it that some distinction would have to be made.

Mr. CALDWELL: Does not the minister think that in view of the fact that the government purchased the land and put soldiers upon it, the land in that way becoming organized into school districts, it should be liable for taxation? What will happen to the people who are left?

Mr. STEWART (Argenteuil): I am not familiar with the conditions in the east, but in the west one or two million acres of land went into this arrangement which undoubtedly might have been settled but which, until patented, certainly would not be liable for taxation.

Mr. CALDWELL: That does not apply to New Brunswick.

Mr. STEWART (Argenteuil): I say therefore that a distinction must be drawn between the two classes of land.

Mr. LEADER: Does the minister say now that lands that were on the tax roll prior to the Soldier Settlement Board purchasing them should in his opinion be liable for taxation now, even though they have reverted to the crown?

Mr. STEWART (Argenteuil): I want to be perfectly clear on this question. Hansard has a habit of taking down exactly what is said, and sometimes a meaning is attributed to words other than that which is intended. I want it to be perfectly well understood that this matter has not been discussed by the government, but that so far as I am concerned I think that possibly there is some claim. So far, however, the government has not discussed the point at all and no decision has been arrived at.

Mr. LEADER: I am glad that the minister shows some sympathy in this regard. There is no doubt that it is eminently unfair that lands which formerly were taxed for municipal purposes and were then sold to soldier settlers, and which are now abandoned, reverting to the government, should be allowed to go without taxation. After the municipalities have built roads and maintained all the other institutions that go to make up a community, it is unfair that they should be obliged to continue the maintenance of these things while these abandoned lands are untaxed. So far as the municipality of Lakeview is concerned, they have decided to tax all the lands that are rented to the incoming settlers. I have before me a letter in which the complaint is made that the reeve of the municipality had driven out certain settlers who had gone in. The Soldier Settlement Board had gone to the trouble of bringing in new settlers, and when they found out that the municipality expected them to pay taxes they abandoned the land again. It seems to me very unfair to expect any municipality to carry these or any other settlers tax free, and I think the Soldier Settlement Board should come to the rescue and see that the men they put on these lands will be prepared to pay the local taxes.

Mr. IRVINE: Mr. Chairman, the ground has already been pretty fully covered, and I do not expect to be able to add anything new to the discussion, but I should like to focus all the goodwill that has been expressed towards our soldier settlers into some definite action. I must confess that it is difficult to know just how we can get action unless the government will offer to reconsider the whole matter. This has been urged by a number of members, and I wish to add my voice to theirs. I think only one hon. member expressed the view that the work undertaken for the returned soldiers by the preceding government was a mistake. I believe that the idea itself was a good one. However, in my opinion there was an error in its execution in that the land was not conscripted from the large land companies of Canada. Of course, I do not blame the preceding government for not then taking this course, neither do I blame the present government for not adopting it now, because the people of Canada generally are not yet prepared for such action, and even the soldiers themselves who are now abandoning their land, being unable to pay their taxes much less their interest and capital payments, would no doubt be very much opposed even now to conscription of land. Consequently we have to deal with the situation as it is. I believe the preceding government purchased the land at what was the best possible price under the circumstances. It must not be forgotten that conditions at the time of purchase were abnormal, and prices were just as abnormal as conditions. No one can justly blame either

this government or its predecessors in so far as the efficiency of the scheme is concerned. I think the hon. member for Red Deer (Mr. Speakman) put the matter in a nutshell when he pointed out that the land at that time was valued not upon the value of what could be produced upon it, but rather upon an inflated basis; but, he added, if the soldier settlers are ever to pay for their land, they can only do so by what they raise on it in crops. No one so far has denied that it is impossible for them at present prices to raise sufficient crops to meet the instalments of principal and interest on the inflated value which prevailed at the time of purchase. Roughly speaking, I believe the situation is something like this: one-third of the soldier settlers have been able to make their payments regularly; another third may possibly be able to make their payments in the future if they have good luck, or good crops; and the remaining third will ultimately have to abandon their land.

Now, the resolution that is before the House, I am sure is, so far as it goes, welcomed by all hon. members, but, as has been pointed out, it is not adequate, it does not go far enough even in the revaluation of stock. It has been urged, and well urged, by a number of hon. gentlemen that the revaluation of land should also be included in this scheme. I do not know how to get the government to assure the House that they will reconsider the situation and undertake to revalue the land on some basis. Of course, I appreciate that to undertake revaluation is a very difficult task, neither would I be expectant that any government could do it perfectly; no doubt there would be some mistakes; but that does not excuse the government from making an attempt to deal with the difficulty. The last government introduced the scheme, made the purchases of land, provided the money for the soldier settlers, and carried out the whole undertaking to its present stage in a very efficient manner. It is now the task of their successors to make a slight accommodation which the general deflation has made necessary. That readjustment is imperative if the scheme is to be completely successful.

Now, Mr. Chairman, in order to focus the sentiment that has been so well expressed by many hon. members on some definite point of action, I am going to move an amendment to the resolution. I would not be at all surprised if in a few minutes this amendment is ruled out of order, but I would rather my effort met this fate than be impotent in suggesting a remedy. Therefore I move, seconded by the hon. member for Bow River (Mr. Garland):

[Mr. Irvine.]

That this resolution be amended by adding to it the following words:

That in the opinon of this committee the provisions of this resolution do not adequately meet the requirements of our soldier settlers, and therefore the committee recommends that the government should increase the stock revaluation to sixty per cent and forty per cent respectively, and that a measure of land revaluation is also essential.

Mr. VIEN: Mr. Chairman, will you read the amendment in French, please?

The CHAIRMAN: (Mr. Carroll): I assure my hon. friend I can do so.

Mr. GRAHAM: I think the amendment is out of order, Mr. Chairman.

Mr. VIEN: Mr. Chairman, would you kindly have this amendment read in French? I see the hon. member for North Toronto (Mr. Church) is in his seat; he might read it.

The CHAIRMAN (Mr. Carroll): In my opinion a private member cannot move an amendment to a government resolution involving the expenditure of money.

Mr. KELLNER: Will the chairman quote his authority?

The CHAIRMAN (Mr. Carroll): I rule the amendment is out of order.

Mr. BLACK (Yukon): Mr. Chairman, at the very outset of the discussion on this resolution I asked the minister a question, but although he made a very lengthy and informative statement to the committee, he failed to answer my question then or in the course of other statements that he made subsequently. I asked him what he proposed to do for the man who has paid up his indebtedness. Under the terms of this resolution it is proposed that:

—in the case of any settler who has not repaid his indebtedness to the board, or who has not abandoned his land, or whose agreement with the board has not been terminated or rescinded, the board shall credit his account with an amount, in reduction of his indebtedness to the board, determined as follows:—

Forty per centum of the purchase price of all live stock advanced to the settler and purchased prior to the first day of October, 1920;

Twenty per centum of the purchase price of all live stock advanced to the settler and purchased on or after the first day of October, 1920, and prior to the first day of October, 1921; and

The settler's account shall be credited with the total amount, determined as aforesaid.

I submit that the soldier settler who has paid up, who has kept his agreement and met his indebtedness by hard work, in many cases even by privation, should get the same generous treatment as those who have not yet paid up. If those who have not paid up are

to get credit, the man who has paid up, I submit, should get a rebate, and a resolution which omits to take care of the man who has paid up is an unfair discrimination against him. This resolution anticipates legislation which is a measure of relief, and so far as it goes in that direction it has my support. But considering the people it is designed to relieve, and considering the duty this country owes to those people, the proposed legislation is inadequate, insufficient and niggardly. When the men whom it affects were called by their country, they did not hesitate. They did not haggle over percentage; they went, and they gave a hundred per cent. Our treatment of them now should be of the same order. When the call comes again, which it probably will whether we want it to come or not, and whether we are prepared or not—and the less prepared we are the worse it will be for us—I think the Canadian people will do exactly as they did before, that is, any Canadian with a drop of red blood in his veins will do so. But I hope that when the time comes the government of that day will see to it that the willing ones are not left alone to man the first line of defence. I hope that the government of the day, to borrow the words of the hon. member for Bow River, will see to it that every citizen and that all money and all industries and all property are made to do their duty. But that is by the way, perhaps, in discussing this resolution. It has been said by some hon. members that this government and its predecessors have been generous in their treatment of the returned soldier. While they may be so, they have not been too generous. Indeed, they could not be too generous. What they have done for the returned soldiers has been done with public money, not with the private money of any government, and what they have done has been with the consent of and to meet the wishes of the taxpayers of this country, who are the people who pay the bills. Now, the subject that is dealt with by this resolution was referred to a special committee well qualified to consider the matter and to advise the House, and after very careful and complete consideration it made certain recommendations. There was every expectation that the government would respond to these recommendations and do what it could to carry them out. Among other things the committee recommended that a 60 per cent and a 40 per cent rebate be given on amounts owing on stock by soldier settlers, and that there be a revaluation of land. As to the latter, the government say there will be no revaluation for twenty-five years. It will not be very good news to the struggling soldier settler that there will be no revaluation for twenty-five years, so far as this government is concerned, of the land he is trying to farm on the basis of a valuation which puts success out of his reach. More than that, instead of carrying out the recommendation of the committee as to 60 and 40 per cent, they are now offering 40 and 20 per cent, a cut in the first place of one-third of the committee's recommendation and in the second place of one-half. Of all the heartless replies that the government have made to this committee's recommendation the worst is the reply that there will be no revaluation of the land for a period of twenty-five years, thus putting it beyond relief to any of the present settlers on that land. It means that many of them will be forced to leave, will have to give up the unequal struggle and join the exodus that has been going on for the past three or four years to the United States, simply because this government turn a deaf ear not only to their appeals but to the recommendation of the special committee appointed to deal with this very matter, a committee in which, I submit, the government should have confidence. I say this government have failed to do what the country would have them do, failed, I believe, to do what this House of Commons would have them do. The government would be well advised to consider carefully the suggestions made by some hon. members on this side, to withdraw the resolution and replace it by a more adequate resolution dealing with the subject as it should be dealt with by this parliament.

Mr. ROBB: I hope my hon. friend is not going to attempt to make politics out of this issue. So far it has been comparatively free from that. I pointed out early in the afternoon when the resolution was first introduced that the government had before them the report of the Ralston commission. That commission was composed very largely of soldiers. There was no more brilliant soldier in the war than Colonel Ralston himself, and he was sympathetic to the soldiers. The Ralston commission pointed out that the loans had twenty-five years to run and that there was that length of time to establish whether a purchase was a good one or a bad one. I did not say that this government would make no revaluation for twenty-five years. I simply quoted the report of the Ralston commission.

Mr. BLACK (Yukon): For what purpose did the minister quote the Ralston commission if it was not to create the impression that there would be no revaluation for twenty-five years?

Mr. ROBB: I quoted the Ralston commission for the information of parliament. I agree with my hon. friend at once that there may be discrimination; that is one of the problems we had before us. A number of these soldier settlers have already paid in full; I think I quoted the figures a while ago. Out of the 500,000 soldiers, roughly speaking, who went to the front, about 24,000 come in under this provision, and the other 475,000 must contribute their share to whatever loss there is by the reduction that we propose under this measure. We must be fair to these men as well as to those who obtained the land.

Mr. GARLAND (Bow River): Does the minister mean to say that any of them will object?

Mr. POWER: Possibly some will. I will, for one.

Mr. GARLAND (Bow River): The hon. member is a politician as well as a returned soldier.

Mr. POWER: I am a returned soldier first. The hon. gentleman would not say that if he had been in the last parliament.

Mr. ARTHURS: Does the minister mean to say it is fair to tax the man who has already paid to help these other men out?

Mr. ROBB: I say that he along with the rest of us will have to bear his share, and I imagine he will bear it willingly.

Mr. ARTHURS: Many of these men have borrowed money for the purpose of paying the government.

Mr. ROBB: I might put on record the following from the special committee's report:

> From a returned soldier point of view, land revaluation would not be warranted, because the soldier settlers under the board who would be affected represent only a portion of the returned soldiers who have gone on the land since the close of the war. The board and the government have been in receipt of many letters from returned soldiers, pointing out that they have had neither cheap money from the government, freedom from interest, nor any of the advantages that soldier settlers under the board have received. Nevertheless they are returned soldiers who served Canada during the Great War.

Mr. BLACK (Yukon): What is the object of that quotation?

[Mr. Robb.]

Mr. WARD: I had hoped that before this hour the government would have seen fit to withdraw this resolution, reconsider it and put it through the mill again. I hope they will do so yet. In fact, I beg of them, I plead with them, I coax them, I will get down on my knees to them, I will do anything on earth if they will do that.

Mr. LOGAN: Come on over here.

Mr. WARD: This bill is an insult, to use the mildest language I can apply to it, to the returned men who are struggling out on the frontiers of this country trying to make a living. To try and draw an analogy between the soldier settler who has gone out to the frontier sections where most of them are settled with the young fellow who did not see fit to go out and take a part, I do not think is fair. I meet these other fellows who did not become victims of this land settlement scheme, and in saying that I am casting no reflections at all on the late government. I have never done so. I have never doubted their sincerity or honesty in bringing this legislation into effect. I think they introduced it with good motives, but it has been a miserable failure, there is no question about that, and I think it is due to circumstances over which the government probably had no control. I do hope the government will withdraw this measure. I intended to speak at some length to-night, but before going any further I would like to know whether the amendment that has been moved is in order.

The CHAIRMAN: The amendment is not in order.

Mr. WARD: I would like to ask further whether the government have any idea of withdrawing this resolution and putting it through the mill again, whether they cannot see their way to giving at least some measure of land revaluation.

Mr. ROBB: No, Mr. Chairman. I think it is better to put through a certain measure of relief such as we are proposing here. I want to say very frankly that I appreciate how my hon. friend from Dauphin feels. I think perhaps if I were representing the constituency that he represents I would take exactly the same attitude. I have had the opportunity of going pretty carefully through these land purchases, and I am bound to admit there is no section in Canada that appeals to me more than a certain section represented by my hon. friend. I think the land up there was not as well purchased as it might have

been. But I think my hon. friend had better allow this to go through as it is, and see what we can work out later on, but I make no commitments as to what will be done.

Mr. CALDWELL: I am sorry the Acting Minister of Finance has not been in the House all evening. The trend of the speeches this evening has been to urge the government to report progress and reconsider this resolution. I think the government should do it; that is my candid opinion. The minister speaks of the loss that will accrue to the country if there is a revaluation or a remission of interest in connection with these soldier settlement lands, but I would like to ask him if he has considered seriously just what the loss will mean to this country if even fifty per cent of the soldiers abandon their farms and they come back on the government's hands. I doubt if the government would be able to dispose of them as advantageously as the few parcels they have sold. I know in New Brunswick they could not dispose of land to-day for anything like the price they could get two or three years ago, because conditions there during the last four years make it impossible. It is my candid opinion that by revaluation or remission of interest, or whatever other method the government thinks best, you will not make as big a loss as you will by maintaining the present indebtedness and by compelling the soldier settler—I do not like to use the word compel, but that is what it will amount to—to abandon his land and throw it back on the government's hands. The loss in that case will be much greater than anything you would lose by revaluation or remission of interest, and I would again urge the minister to move that the committee rise and report progress in order that this resolution may be reconsidered, and something brought down that will better meet the situation.

Mr. ROBB: In reply to my hon. friend I cannot do better than repeat the statement which I put on Hansard this afternoon, a record of actual sales of land that we have made:

On page 66 of the report of the committee of last year the board showed that it had resold or accepted offers for 1,672 farms, and the price obtained was $600,000 more than the board had invested.

Since that time the board has resold, mostly to civilians—resident farmers in the country—approximately 50,000 acres of soldier settler lands which have been foreclosed and abandoned by the original settlers. This property cost the board, including the original purchase price plus all permanent improvement advances, $856,000, and it was resold for $895,000 leaving an aggregate gain of approximately $39,000. All of these sales have been made in the last twelve months, and afford a fairly clear indication of present conditions, because they cover 46 farms in British Columbia, 72 farms in Alberta, 40 farms in Saskatchewan, 20 farms in Manitoba, 27 farms in Ontario, 14 farms in Quebec, 7 farms in New Brunswick, 9 farms in Nova Scotia, and 4 farms in Prince Edward Island.

In all of the provinces we have been selling these lands for more than they cost.

Mr. CALDWELL: Would the minister tell us whether that cost price includes the ten per cent paid by the soldier?

Mr. ROBB: I said this afternoon that when we are in committee on the bill I will have the chairman of the board here, and will then be able to give the committee all the information it desires.

Mr. CALDWELL: I think in view of the fact that this statement has been put on Hansard twice, we should also have on Hansard the amount the soldier settler paid on this land, which I maintain is not included in the figures the minister gave, and they are therefore misleading. They will be broadcasted to the country to-morrow through the press, and I do not think that is fair. The committee got the same statement from the board last year. It sets forth accurately the financial transactions between the board and the soldier settlers, but does not include the ten per cent paid by the soldier, and it therefore is not a real indication of the actual price of the land when it was bought.

Mr. VEIN: It would represent ninety per cent of the cost at all events.

Mr. CALDWELL: It might not, because in some cases the soldiers made subsequent payments beyond the ten per cent. I know they did in New Brunswick, as well as making improvements to the farm. Many of these farms were later abandoned, and in addi-
10 p.m. tion to what the soldier lost financially, he lost three or four of the best years of his life working uphill against adverse conditions, and in many cases they left their farms without a dollar. The condition of that soldier who leaves without a dollar the farm he has worked on for three or four years, compared with his condition when he received his gratuity on leaving the army of perhaps $600 is one of the saddest features of all. The actual financial standing of the government with respect to the transaction does not bring out the whole story.

Mr. POWER: Is he not better off than the poor soldier who remained in the city and could not get a job? At all events, he has been able to eat and live for three years.

Mr. CALDWELL: The soldier who stayed in the city had his gratuity with which to maintain himself, and if he sat down and ate it up that was his own lookout. But you cannot compare him with the soldier settler who has been on a farm for three or four years, working fourteen to eighteen hours a day, and who finally has to abandon his farm with possibly a child or two more than when he went on the land, and who leaves the place a little more broken down, a little nearer broken-hearted over the prospect of re-establishing himself. The two cases are not comparable at all because I think the man who went to the city in 1919 and 1920 in most cases got pretty good wages. I think he had a much better show than the man who went to the farm and had to abandon it on account of adverse conditions.

Mr. VIEN: Does my hon. friend know any soldier who works fourteen hours a day who is not able to keep his farm?

Mr. CALDWELL: Yes, I know them by the dozen. I would not say he worked fourteen hours every day of the year, but he did it through the rush season and haying and harvesting. No doubt in winter he has some pretty short days, but he works fourteen hours a day on more days than he works less time the year round.

Mr. MANION: What percentage of the men have failed to carry on and have given up their farms?

Mr. ROBB: I think I gave that information this afternoon, but I will give my hon. friend some information as to the payments which have been made. The position is that 754 have repaid their entire indebtedness. This year, of the 17,000 settlers with payments due approximately 7,000 have made their payments in full. More than 7,000 others have made substantial payments on account, and altogether approximately 70 per cent of the money due this year has been paid. So that, as I pointed out this afternoon, generally speaking, the soldiers are doing fairly well, and the committee forces me to put upon the record a memorandum. I would rather not have given, because it does not represent, generally speaking, the view of the soldier settler. I repeat he has done fairly well on the whole, although some of them have not done so well. The memorandum reads:

> The fact that the board has been able to resell nearly 400,000 acres of abandoned soldier settlement lands, at approximately $700,000 more than its investment in them, and at a time when there has been no active market for farm lands, affords no justification whatever to support a general revaluation of soldier settler lands. It must also be remembered that the great majority of the soldier settler lands which have been abandoned have suffered serious depreciation while in the hands of the settler, and in the period of vacancy subsequent to his abandonment. The board finds generally that the farm which was in a fair state of cultivation at the time it was bought in 1919 or 1920 is run down, weedy, and badly cultivated when thrown up by the soldier settler. In many cases the buildings have actually been wrecked. Cases are not by any means infrequent where the original settler tore up flooring, in barns and stables and even in sections of the house, to use as firewood or for other purposes.

That is not my statement. It is the statement of men who are sympathetic with the soldiers, who are administering the act; but in civil life, as in the army, there are those who have not been the success we hoped they would be, and I repeat again that generally speaking the soldier settlers are doing pretty well, but there are one or two cases throughout the country where I am bound to admit that the soldier was imposed upon by those from whom he purchased, who charged him too much.

An hon. MEMBER: One or two cases?

Mr. ROBB: There are a few cases but the number is very limited. That is the experience of the board who gave their time to the administration of the act.

Mr. MANION: What percentage have really thrown up their farms and could be called failures, whether through their fault or the fault of someone else?

Mr. ROBB: The proportion is very small.

Mr. SPEAKMAN: May I give the information up to date? A fraction over 20 per cent of the total abandoned their farms at the end of the last fiscal year.

Mr. MANION: March 31, last.

Mr. SPEAKMAN: Yes.

Mr. MANION: I have been listening to the debate all day, and I must confess I have not taken much part in it because of the fact that I have heard very little about this matter. Whether I come from a section of the country where the soldier settlers have all been successful or not I do not know. Although on all occasions throughout my experience in the House I have stood up for the rights of the returned soldiers when I could do so, I have yet to receive from a soldier settler in my section of northern Ontario a complaint as to being unable to carry on on his farm. There have been, it is true, not as large a number of soldier settlers in my district as have settled in the prairie provinces, because most of those going on the land prefer the cleared land in the prairie provinces; but where many have taken up land in my section

—and bush land at that, where they have to clear the land—I have not had one write to me and tell me that he has been unable to carry on, and I have a number of settlers in mind. Further I have not had any petition or complaint from any of those people or any organization of the soldiers—and I have many of them in my section—claiming remission of their interest, or demanding the cutting down of the valuation or anything of that sort. I must confess frankly that I do not know the reason for it, but the fact remains as I have stated. Perhaps they have all been sucessful.

Mr. CALDWELL: Might it be because they thought the government was going to put into effect the recommendation of the committee of last year? That is the case in New Brunswick.

Mr. MANION: The soldiers in my district have not been afraid to tell me things; in fact they have been very frank and sometimes even brutal in their statements. I have usually found that the very able and active organizations up in my district have been very ready to fight for the rights of the returned soldiers.

I am pointing this out because I think the Soldier Settlement Act has been abused today more than it deserves to be. I make this statement because anybody listening in the House or in the gallery, or anybody reading Hansard, might draw the conclusion fairly from the remarks which have been made that the soldier settlement legislation has been a complete failure. Certainly, listening to the debate from four o'clock to the present time, one might easily draw that conclusion. I have not drawn any such conclusion, and that is the reason I asked the minister the question,—and the hon. member for Red Deer (Mr. Speakman) gave me the information—as to the number of complete failures. The hon. member told me twenty per cent up to March 31.

Mr. WARD: I secured the information from Mr. Barnard a few days ago, and I find that there was little over 25 per cent of abandonments up to date, or 5,780 failures.

Mr ROBB: I discovered the information just after my hon. friend had risen and given the figures. My figures show 23.9 per cent.

Mr. MANION: I take that to include those who may not necessarily have been failures at all. For example, if a man died and had nobody to whom he could leave the land and nobody to carry on, he would be counted in the 23 per cent?

Mr. ROBB: Yes.

Mr. MANION: And the minister points out that out of that land that was sold for failure to pay debts and other causes, the government received, I think, $700,000—

Mr. ROBB: The amount was $714,015.85.

Mr. MANION: More than the mortgages that were against it.

Mr. ROBB: Yes.

Mr. MANION: So that after all that does not seem to me such a bad record. It is true that when this legislation was put into force valuations were high; nobody disputes that, and I am not arguing against any of the suggestions of my hon. friends that the valuation should be kept down.

Mr. WARNER: In this reckoning has the expense been accounted for, or is this just a gross statement of what the government have received?

Mr. MANION: I presume that it is a gross statement. Of course the minister can answer that better than I can. I am trying to point out the fairly good sides of the whole question, without any particular reason except that I do not like to think that an act which was praised as it was from one end of the world, I might say, to the other, should be looked upon as a failure because twenty or twenty-five per cent of those who went on that land have given it up from one cause or another.

With regard to the treatment of the soldier, the hon. member for the Yukon (Mr. Black), in that able manner of his which is always for the soldier, pointed out that while the soldiers were treated pretty well, they were not treated too well. I agree entirely with him in that. It would be impossible to treat too well men who offered to give their lives to the country. At the same time we cannot forget that there are limitations beyond which countries or governments cannot very well go without some danger of wrecking the financial affairs of the country. Therefore, so far as we can, we should endeavour to find out the successes of this act as well as the failures.

When the minister brings in a resolution suggesting, as this resolution does, that forty per cent and twenty per cent be cut off the valuation, that is unfair to the man who has worked day and night and succeeded in making his payments on time. Even the greatest champion of the returned soldier cannot deny that some few of them have been failures through their own fault, and it certainly would appear to me to be rather extraordinary to give a revaluation to such a man who, we will suppose, has been a failure

through his own fault, or, in other words, to hand him back some of the debt which he owes to the country, and on the other hand to give nothing to the other man who has worked hard, been industrious and succeeded in paying his debts. That seems to be a method of rewarding vice and punishing virtue.

Mr. SPEAKMAN: Might I just interpose there, that I think the hon. member is rather mistaken in the effect of this resolution? It is true that where a soldier has paid his complete indebtedness and made his payments in advance of the due time, he will not be affected by this legislation, but as long as any indebtedness remains, the amount indicated would be applied to that remaining indebtedness, be it much or little.

Mr. MANION: I understand that. Of course, that does not alter the effect of my remarks at all. I think the minister said that 754 had paid up completely. Those 754 soldiers who have paid up completely for their land, because of the fact that they have worked industriously, perhaps put their children and possibly their wives to work as well, because they have accomplished the miraculous, if you will, are to have their virtue in doing so punished. On the other hand, those few who have in some cases at least been more or less worthless—I do not say all by any means; I do not wish to be misunderstood in that, but some have been worthless and the minister gave an indication to show that—are rewarded. In the case I speak of it would be unfair. I rose without any desire to take any particular part in the controversy that is going on, but wishing at the same time to impress upon those who want to get as much as they can and, at least, justice for the returned soldier, that it would be wise here to-day to look a little at the advantageous side of the whole matter, at the successes as well as the failures that have occurred. Out of the large number who went on the land, twenty-five per cent under the conditions does not seem to be a heavy percentage of failures. No doubt the valuations were too high. The motion of to-day to cut down those valuations is, as far as it goes, advantageous to the soldier, and certainly I support it. But we might hesitate to go too repidly in changing the valuations. We should not take too much upon ourselves until the federal government, whichever government it may be, feels that it can see its way clear to go further. At the same time I repeat that I think some arrangement should be made in this resolution to reward those who have been able to pay up their land values in full as well as those who have not been able to do so.

Mr. LEWIS: In view of the statement that the minister has made in regard to lands sold and the profit made on them, it would be well for the minister to tell us the percentage of lands sold or resold from lands that have been salvaged, because in my particular district a number of farms have become vacant as a result of soldiers going away from them, but only one or two have been sold or resold and those that have been resold are the very best farms. The great mass of those which have not been abandoned could not be resold at any price. I understand that nearly 6,000 men have left the farms. At an average of 160 acres apiece, that would mean that we have 1,000,000 acres of land to be resold. So far the minister has stated that we have sold only 400,000 acres of that land, and it is on these 400,000 acres of land that we have had a profit of $700,000. If hon. members will look into this situation they will find that the lands that have been sold are the best lands that could have been sold, and that if we were to sell the other 600,000 acres of land that are still on the hands of the Soldier Settlement Board, we would find that instead of a profit of $700,000, we would have a deficit in excess of that amount. That should go out with the statement that has already gone out.

Mr. ROBB: I will try to produce that information for my hon. friend when we are in committee on the bill.

Mr. ROSS (Kingston): In view of the fact that some of this land has been sold at a profit, is it the minister's intention now that the soldier should be returned the ten per cent he put up on the land?

Mr. ROBB: Does my hon. friend advocate that?

Mr. ROSS (Kingston): Yes, I would. In the second place, if I remember correctly, some of this land, because it was so situated as to be of value to certain bootleggers along the border, was sold at a big price. It would not be any great credit to the government to obtain such a price in that way.

Mr. ROBB: I did not hear that.

Mr. COOTE: Are any soldier homestead lands or soldier grant lands amongst the lands that have been sold? I understand the Soldier Settlement Board has received between 300,000 and 400,000 acres of free land

from the government of this country in the shape of soldiers' homesteads and soldiers' grants. It is possible that some of the land which is being sold is land which cost the board nothing. Can the minister tell us?

Mr. ROBB: I will have that information looked up.

Mr. MEIGHEN: There would not be any of that land for the reason that the government have no authority to sell homestead land.

Mr. COOTE: The title has passed to the Soldier Settlement Board. Would they not have power to sell that land?

Mr. MEIGHEN: I do not think so. This is a comparison between the prices secured and the prices sold at, or rather between the indebtedness against and the price secured. Members have pointed out that in computing the indebtedness against the land, account has to be taken of the ten per cent paid. Ten per cent was paid in the great majority of cases. Therefore account must be taken of it. But I should be very much surprised if the aggregate of the indebtedness against the land was not more than the cost of the land; I should be very much surprised if the argument would not tell against the contention of those who claim that the sale indicates a loss on the land. When a man pays only 10 per cent and then gets into a condition that compels him to abandon, what chance in the world is there that he does not owe at least two years' interest?

Mr. CALDWELL: But no interest has been paid up to date.

Mr. MEIGHEN: Yes, there has been $5,000,000.

Mr. ROBB: The exact amount is $5,220,781.71.

Mr. MEIGHEN: I have not the exact figures before me but it would be astonishing if the total indebtedness did not at least equal the cost of the land, in respect of that land which has been taken over and sold. I have no complaints to make of the tenor of the discussion and the fairness of speakers as respects the original plan or as related to the organization and the execution of the work. It was an enormous undertaking and it had to be done at a time when we were rolling on the crest of a great wave of inflation. There was no option as to when we should begin; the pressure from the returned soldiers, and indeed from the entire public of Canada, was very great, and considerable impatience was displayed because we had not sooner gone into the enterprise. I do not think there was a newspaper in Canada of any shade of politics which did not press this undertaking on the government. Land was purchased in every province aggregating a total of some 28,000 farms. An organization to take care of such work is one which it is very difficult to lay down and still more difficult to supervise. The work was evolved of course in the department, the minister having to do mainly with it; but the supervision was largely under Mr. W. J. Black, whose success in choosing his subordinates was really remarkable. It is not needful for me to say now that no political consideration intervened in any part of Canada; nor was any such interference ever charged. I have no doubt at all that the number from one party was about equal to the number from the other so far as the various boards were concerned. I have knowledge of some who proved dishonest, but they were very few; and when I state that the hon. member to my left who represents the constituency of Victoria and Carleton in New Brunswick (Mr. Caldwell) was himself a member of the board in that province, I think it will be seen that we did not select the truest blue Tories for the organization. The same is true even more emphatically of the province of Manitoba. There excellent work was done by Mr. Peter Wright, of the Council of Agriculture, who assisted us in laying out the whole organization.

Mistakes were made, and I think that perhaps the gravest occurred on the west coast of lake Manitoba. There was a territory opening up for farm settlement into which many pioneers had gone. The land was good and it had belonged to the province; municipalities became organized, and the Manitoba board was induced to settle some soldiers there. In this area is the territory referred to by the hon. member (Mr. Leader) and covered by the letters from the reeves of those municipalities. This district in Manitoba has not been very successful. The municipalities have got themselves greatly into debt and no doubt the soldiers have abandoned the land. But I shall not be revealing any secret when I say that I have myself abandoned six sections up there, and if I had sixty I would abandon them all. The taxes are so high that land simply cannot be held and consequently the district has suffered. I do not know why it has suffered particularly, although I have some conception

of the reason; and the soldiers have suffered with the district. Now, because you argue that 23.9 per cent of the men are not now on the land who originally were there, you do not offer a just criticism against either the scheme or its success. The time will come when there will not be one per cent still there of those who originally took the land; the time will come when they will all have gone. But that will not prove that the scheme was a total failure, for as the years progress the proportion will be greater and greater; it cannot help but be. The scheme can be judged however by the productive enterprise of those who have gone there, by the homes created and the number of years those homes have survived, and by the government's success in recouping to the treasury a large proportion of the money invested. The whole enterprise has of course encountered the very same difficulties that agriculture in Canada generally has had to meet. Farm lands six years ago were certainly higher in western Canada than they are to-day, just as they were in every other province. And the same is true of stock and equipment. The ordinary farmer therefore has lost money in this country in the last six years. I do not know that the hon. member for Victoria and Carleton has exaggerated the present situation; but I do not think that his words would fall with much welcome on the ears of the prophets of sunshine who occupy the treasury benches. I noticed an anxious look on the face of the Minister of Labour (Mr. Murdock) as he revealed the situation in his own province, and I recalled how I had been castigated when I spoke in language much less pessimistic, being called a prophet of gloom. Now, I never consider it a badge of disloyalty on the part of any man to tell the truth, whatever it may be, and I believe that the hon. member for Victoria and Carleton represented the actual situation. I hope the lesson will fall with good effect upon the ears of hon. gentlemen of the administration.

Mr. CALDWELL: The right hon. gentleman bewailed the fact that people were leaving the industrial centres while for my part I gave the other side of the picture; they are drifting to the industrial centres from the farms of New Brunswick.

Mr. MEIGHEN: Yes, and to the industrial centres of the United States; and I would rather have them drift to our own industrial centres. I bewailed the fact that they left the industrial centres and that, because they did so, the farmer abandoned the nearby farm. If these things do anything to enlighten hon. gentlemen to my left, then the experience even of these bitter years will not have been in vain.

Now I want to say something about the government's plan, which seems to me to be a pretty slapdash piece of legislation. I do not know upon what principle it is based. Deflation in farm values is as pronounced as deflation in stock values. Of that there can be no question; indeed, stock values are rising somewhat while farm values are not. Real estate is not rising anywhere in Canada; you cannot sell it. But there has been some improvement in stock values as there has also been in grain. Consequently if there is reason for rebating a measure of the price in relation to stock, there is just the same reason for doing so in relation to land. And besides, why should the man who has invested most in stock and least in land be made the special favourite of the government? There are a great many of these men whose whole investment is in land, virtually none in stock; they get nothing at all. But worse than that, the legislation penalizes the best class of soldiers, it penalizes the man who has applied himself the most vigorously and by one means and the other has succeeded in paying off the government—because of his fidelity to his trust and his contract the government throws him to the wind; but the man who is behind, the man who has not paid, the government takes under its wing and says, 'We will help you to pay, ourselves; we will rebate you." Does the government ever expect that those 750 odd men who have paid up in full are going to rest content? Does not the government know that they are going to be right at the doors of the administration in full force? And I do not think they will likely rest content until they are accorded the same treatment as the government accords those who are in arrear. It is hard enough to deny an ordinary group of citizens something when they can make out a plausible, even though not a strong case of discrimination, but if they can prove a strong case of discrimination against themselves the government never can and never does deny them. I never knew a government that could furnish an instance of so doing. All the more is this likely to be so when that group of citizens is a band of soldiers, and they can establish a clear case of discrimination against themselves; does the government think it can withstand their appeal? It will have to show a lot more stamina and a lot more stability of purpose than it has ever shown before.

But that is not the only discrimination. This legislation says: "If a man has not abandoned

his farm we will relieve him; but if he has, then we will let him go." Why do they relieve the man who has not abandoned his farm—why do they relieve anybody? It is on the hypothesis that the handicap he was suffering from was too big for him, it was more than he could overcome. Well, what about the fellow who has had to quit altogether, was not his handicap presumably greater still? With respect to the man who is already off the farm the presumption at least is—there will be exceptions—that he suffered some special handicap, his purchase price both of land and chattels owing to deflation in his district was even more than ordinarily great, his discouragement was piled upon him until he had to quit; but because he suffered more than the rest the government lets him go, and the man who stays on, whose handicaps presumably were not quite so great, the government takes in its lap and feeds at the country's expense. Those discriminations exist, and they cannot be justified.

Would it not be far fairer to treat them all alike and make a general rebate all around? No more than the country could afford, no more than was considered to be fair, but make it the same for everybody—the same for the cattle man, the same for the farmer man, the same for the fellow that paid, the same for the fellow that abandoned—whatever it is, make it just and equitable, because I warn the government that once they take a certain step with respect to a section, they will not be able to resist those who appeal from other sections on the ground of discrimination. In a word, the standard of rebate they set as respects one lot, that standard they will have to apply to a whole group of men in another lot.

Mr. KELLNER: When the right hon. gentleman was in office and put through the Soldier Land Settlement Act why did he not apply that same principle?

Mr. MEIGHEN: What in the world is the hon. gentleman talking about? We did establish it.

Mr. KELLNER: No, you did not.

Mr. MEIGHEN: Why, certainly; the time did not come for any rebate while we were in office.

Mr. KELLNER: I was not referring to rebate at all.

Mr. MEIGHEN: I was.

Mr. KELLNER: When you were putting the Soldier Land Settlement Act into effect why did you not apply that principle to all those who did not take advantage of the act itself?

Mr. MEIGHEN: What principle? To make them all take land whether they wanted it or not?

Mr. KELLNER: No, the principle of establishing the same means of reimbursing them.

Mr. MEIGHEN: Oh, I see what the hon. member has in his mind. It is on the assumption that we were doing a special favour for some. But the whole act was not based on that in any way whatever. It was based on the wisdom of inviting and encouraging as large a proportion of the returned men as possible to take up farming in Canada, to build them into the basic foundation industry of the country. It was for the benefit of the country, it was not to show special favours to any. This was the principle of the act.

Now, those are the objections that appeal to me as against the government's proposal. But I want to say something as to the government's consistency in this whole matter. A year ago the usual plan was followed. A committee of this House was appointed to consider the subject. The committee made an exhaustive inquiry and a report. Then the first thing we heard, the chairman of the committee was rising in the House and moving the adoption of the report—something that occurred every week last session, at least the last half of the session, something that sometimes occurred daily—the House was asked, without a moment's notice, to declare its opinion on a question of immense magnitude, involving millions of expenditure, and finally to declare its opinion on merely one submission. The government accepted the situation, and when that motion was made, the government paid no attention to the protest which I raised. I warned the government of the condition they would get into by that kind of conduct. Indeed, I warned them on several occasions, and other hon. members did so as well. On this occasion I went so far as to appeal to the Chair that the House had no right, by the mere act of accepting the report of a committee, to charge the country on the motion of a private member. Fortunately I was upheld. But before this had taken place the Minister of the Interior (Mr. Stewart) had definitely committed the government to a statement of its policy in language as clear and as un-

equivocal as at least this government ever used. The committee's report was before parliament, the chairman of the committee had moved its acceptance. The minister made some comments upon it so far as they were adverse, all directed against one section. I have no doubt he was taken by surprise. I have no doubt at all that this practice being allowed by the administration the poor Minister of the Interior thought he had to do something, so he cast his eye over the report and saw one section in it that did not look very good to him. Thereupon he made some adverse criticism of that section, and himself moved an amendment, adding that that meant the rest of the report was accepted. In that remainder of the report which the minister accepted, speaking as he did for the government, there was a recommendation that the soldiers be repaid 60 per cent of the price of their stock of one class and 40 per cent of another. The whole country had the right to assume from that moment that this was the government's policy, and hon. members went to their ridings and informed their constituents that this was what the government had bound itself to do. But this session the government comes forward and does not do this at all. It says, "The 60-40 basis is too high; all we will give is a 40-20 basis." This stand they take and embody in a measure in the face of a definite assertion by the Minister of the Interior on behalf of the government, made less than twelve months ago. It is only a few days ago in this House that the Acting Minister of Finance (Mr. Robb), who has charge of the matter more directly, rose in his place and, in answer to an inquiry, asserted that the government proposed to bring down a measure to provide for revaluation both of land and stock.

I was in the House when the answer was given and I remember feeling at the time somewhat surprised. I wondered what responsibility the government was launching upon. Now we have the same Acting Minister of Finance coming to the House and saying, "This is our measure and our only measure. We are not prepared to revalue the land at all. We do not propose to do anything of the kind." How does the minister explain himself? He does not try. How does he stand before this committee and justify taking an official position as a member of the government diametrically opposed to his assurance to this House not two weeks ago? I was amused at the question of the hon. member for East Calgary whether this was to be taken as the government's final policy. Did he ever know of such a thing as finality in this government? Did he ever find that in the dictionary of this administration? Did he ever know them to take any position from which they could not escape? Did he ever know them to take any stand from which they were not ready at the sign of battle to flee? I never did. They do not know what finality is. Why, before the budget came down we were assured by a member of the government that notwithstanding all the importunities which had been advanced to them for an increase in coal duties they could not see their way to take any such step. That was not more than eight days before the budget came down which granted the importunity for an increase in the coal duties. Indeed, the best conclusion and the safest one can draw from any assurance he gets from the administration is that something else is going to be done, what it may be it is hazardous for any man to venture even a guess. Surely hon. members ought to have the right to depend on an assurance given by the administration as to what its policy is. Experience has shown we can do no such thing. But the minister says with reference to this land revaluation: "We cannot do anything. We have no proposals. We do not intend to bring down any further legislation. But if you will just be patient for twenty-five years until the lands are all paid for, then we can reconsider the matter."

Mr. ROBB: I did not say that.

Mr. MEIGHEN: Well, if the minister would explain what he said about that twenty-five years I am sure it would be just as absurd as that. If he did not say that I do not know what it was he said.

Mr. ROBB: I read the report of the Ralston commission. The Ralston commission pointed out that the question whether land had been well purchased or not could be determined within the twenty-five years.

Mr. MEIGHEN: No, at the end of twenty-five years.

Mr. ROBB: Well, at the end of twenty-five years. It was the report of the Ralston commission.

Mr. MEIGHEN: Yes, but the minister quoted it with approval and subsequently said that would be time to consider the matter.

Mr. ROBB: I did not say that.

Mr. MEIGHEN: If the human mind can imagine anything more utterly absurd and grotesque than that—

Mr. ROBB: I said that future governments would have that period within which to consider the matter.

Mr. MEIGHEN: The twenty-five years is fixed because at the end of that time the land will be paid for.

Mr. ROBB: Is my right hon. friend now arguing that there should be revaluation?

Mr. MEIGHEN: Not at all, and the minister knows I am not. I argued that a while ago. I stated what I would do; I would do the same with land as with chattels, the same with the man who had paid as with the man who had not paid—make the same rebate everywhere; treat everybody alike.

Mr. ROBB: On land as well?

Mr. MEIGHEN: Certainly; make the same rebate everywhere, whatever it may be. Whatever you can afford to do, do it for all.

Mr. ROBB: Do I understand my right hon. friend now to say there should be revaluation?

Mr. MEIGHEN: I did not say revaluation. I said that I would make the same percentage of rebate everywhere, applicable to all purchasers and applicable to land as well as to chattels. That does not involve land revaluation. That is very clear. I do not know any other principle that can be followed. I know that objections can be raised to it, but none as formidable as can be raised to this government's proposal. It is at least the most unobjectionable of any course that can be taken. It is the fairest; it is the same for everybody.

Mr. STEWART (Argenteuil): Then my right hon. friend would argue that the purchases in the first place were all based on equality?

Mr. MEIGHEN: So they were.

Mr. STEWART (Argenteuil): I think we have ample evidence that that is not true.

Mr. MEIGHEN: I know that. You will always get opinions that one piece was bought cheaply and another at a high rate. It may be that within a certain radius that is the case. But you cannot go on that basis in evolving a principle of remedy; you have got to do the same for the one buyer as for the other. If the government get into that field it will be landed in a morass from which they will never extricate themselves without serious difficulty.

Mr. STEWART (Argenteuil): No government on earth could apply the remedy that would be required, for instance, for the Dauphin situation or that outlined by the member for Comox-Alberni, as my right hon. friend suggests and still meet the acute cases, No government could stand it.

Mr. MEIGHEN: Certainly no government can meet every acute case. It cannot be done, and I say with the utmost frankness that if the government get into this responsibility; if they go into the original value and the present value of every piece of land and every horse and every cow, why, they will never get out of it. You cannot perform a great service on that principle. Now I think I have made at least clear what I would propose. It would seem to me to be a great deal fairer, a great deal less objectionable, to proceed as I have suggested. Certainly it would not reach out into every service and meet every demand, but it is based on a sound principle and that cannot be said of the legislation before us. But what is to be said for the suggestion that the revaluation of land does not come before us now because the Ralston commission says that that can be done at the end of twenty-five years? Actually I think if the minister had thought a little longer he would not have read such an absurd thing to the House. Why, in twenty-five years the man's son will be on the land. The proportion of those now on the land who will be there in twenty-five years will be mighty small; it is the case everywhere. I cannot think of anything more grotesque, anything more laughable, than the suggestion that there might be a revaluation of these lands in the interest of the purchasers at the end of a quarter of a century.

Mr. CHURCH: I think it is the desire of every group in this House that some equitable means should be adopted to bring this act up-to-date. When you compare the total expenditure of the country, $400,000,000, with that spent on soldier settlement, $6,000,000, and immigration, $2,000,000, it is no wonder the returned men have not been successful on the land. This legislation does not go far enough. In 1921, $6,000,000 was provided for this purpose as against $8,400,000 the year before. Last year there were 1,038 new settlers under this scheme. There are now on the land 23,743, as against 27,000 three years ago. The number granted entries without loans was 6,435. I do not see why we should discriminate between various classes of soldiers: those who do not make good get help and those who are thrifty and are making

good get no help. There should be equality of treatment as between all classes of soldiers, irrespective of making good. Thrift should not be penalized.

There has been a great deal of complaint about this scheme of land settlement, not only in Canada, but in the Old Country, Australia and New Zealand. It is being complained that the field supervisors, receiving a salary of some $1,800, lack experience, and are not capable of giving advice to the new settler in a new locality on farming conditions locally, and the soldier settler is left very largely to his own resources in selecting his farm, conducting his farming operations, and marketing his crops. Many of these supervisors have very little practical experience either in the care of live stock, in judging the soil, or in developing the land. When you compare the aid this country has given to railways with the treatment the soldiers are given, it is no wonder that the land settlement scheme is not more of a success, and I would urge on the government to be more liberal both in expenditure of money on this great work and in the method of its distribution. How do you account for the slow growth of Canada, not only in soldier settlement but in immigration? We all know the small numbers that are coming to this country, and immigration is what we need, particularly in view of our railway burden, which is pressing very heavily on the taxpayers in this country.

Canada should be a land of opportunity for the returned men of the Mother Country. The overseas dominions owe a great deal to the Mother Country both for what it did on sea and land in the late war in giving us protection, and the future history of the British Empire depends very largely on a redistribution of its population, and if it is not redistributed in the very near future the British Empire cannot long continue as it is to-day. The day is past when this redistribution can be regarded as a matter for private enterprise. The past has taught Canada the great importance of immigration, and all the efforts of Dominion and provincial governments must be co-ordinated with a view to securing immigration. There is no room to consider this from a political standpoint. It should be made an economic question more than a political one. We want a steady stream of British immigration, but we spend only $2,000,000 out of $400,000,000 on colonization and immigration.

[Mr. Church.]

There is very little in this resolution to encourage the present soldier settler and it will bring him small comfort. This country either wants British settlers of the soldier type, or it does not. If it does want them to settle on the land here, it should say so—if it does there should be more liberal treatment for them all along the line, and not the red tape which prevails under this act to-day. There are two or three points that I might mention. First, care should be exercised in the choice of the settler. Second in importance is training of the supervisors and the assistance given to these men. The soldier who goes on the land needs qualities of endurance, perseverance, courage, patience and cheerfulness, which are the characteristics more of a race than of a class. The act has not been a success and the lands and tracts given the soldier are far from suitable. There has been considerable criticism of the administration of this act in the Old Country. Our immigration policy needs an overhauling. The railway mileage in Canada is sufficient for five times our present population, and the time has come to extend the scope of this act beyond the present provinces to which it applies to include many soldier settlements in the province of Ontario, which is admirably adapted to soldier settlement. The work should be co-ordinated between the Dominion and provincial governments in this country and the government of the Mother Country. After all is said and done, even the Old Country is not expending on this overseas settlement scheme what it should, as pointed out by Major Belcher, of England, one of the men the war discovered in an economic way. He says only £400,000 has been expended in one year by the Overseas Settlement Committee of the Imperial government. It is no use having equality of opportunity, he says, if there are not opportunities enough to go round. There is no overseas dominion that is not a land of opportunity, and there is no dominion that is not a proper place for these returned men to go to if they receive proper help from the government at home and the overseas dominion. The soldier settlements should be more carefully selected, better land should be provided and groups of soldiers should be established in good localities and not out in the wilderness.

This scheme has also been very much criticized in the Old Country from the economic standpoint. Major Belcher in his book, Migration Within The Empire, reviews migra-

tion not only of soldiers in the late war but in all periods of the empire's history. He points out that the soldier settlement scheme is economically unsound, and that we are trying to expand the empire by providing opportunities only for the agricultural classes. He says:

> This theory is a particularly dangerous one, because it contains half a truth, and like most half truths, is responsible for very erroneous conclusions. It would be well if all statesmen both in this country and in the dominions, would agree that the essential factor in the choice of settlers is the personal characteristics of the settler and not his previous occupation. Shorn of all the glowing features which for two hundred years have been the stock in trade of every emigration agent, a settler's life is a hard one.

He goes on to point out the number of returned men out of work in the Old Country who to-day are taking doles, and says that every one of the overseas dominions should be a land of opportunity not only for the agricultural class but in many other spheres of industrial activity. He says that soldier aid schemes within the empire should embrace something in addition to assistance to the agricultural classes, and one of the ablest men who served Canada, Mr. Obed Smith, agrees with him in his criticism of the proposed administration of this scheme in Canada.

There is very little preference left to the returned man under this scheme. A soldier goes into a locality where the land is poor, and where he cannot make a decent living, and if he so desires I say that he should be given the choice of a farm in another locality, because many of the settlements are made on land which is not suited for agriculture, and at the present time the soldier is not allowed to take up land elsewhere, except in a few cases where he goes at his own expense. That is very discouraging to the settler.

11 p.m.

One of the principal criticisms of this scheme appeared in the English Review of February, 1925, by a gentleman who served this country very well, Mr. J. Obed Smith, the late chief commissioner of immigration in the Old Country for the Canadian government. He goes on to criticize the administration of the act and states that more liberal treatment was needed and that we should have co-operation with the government of the Mother Country. He stated that if the soldiers were given a chance they would no doubt make good. I am very much disappointed that, under this act, the returned man has not had a better chance, not only on the farms, but industrially in Canada and also in the other overseas dominions. There has been a very small amount of money spent upon him, and I desire to emphasize the fact that this particular overseas dominion, the Dominion of Canada, owes a great deal to the returned men of the Mother Country, and that more liberal and generous treatment should be given to these men. They should be given better land and more help should be given them by the people and the government of this Dominion. I think there should be better grouping of the men, they should have a large supply of stock, should be provided with a proper plant to work the farm, and should be put on their feet.

They should be supplied with agricultural implements and should be given all kinds of assistance to enable them to make good and thus keep them on the land in Canada.

Mr. HOEY: In view of the fact that several members of the House who are deeply interested in this question, the hon. member for Prince Albert (Mr. Knox) the hon. member for Humboldt (Mr. Stewart) and several others, are absent attending the funeral of our late colleague, I wonder if the minister would consent to report progress and let this matter come up again.

Mr. ROBB: We have spent almost a whole afternoon and evening on the resolution. I think we might very well let the resolution pass and I will promise not to advance the bill to a second reading until the hon. members have returned and that will give them ample opportunity of discussing it; indeed they will have the same opportunity they have had to-day and we will have the chairman of the board beside us.

It was only to-day that my attention was directed to the question asked by my hon. friend from Bow River. I recall that that afternoon many questions were asked on the orders of the day. I admit that I was busy signing my letters, and my desk mate said to me, "He is asking about soldier's revaluation", and I said, "Yes". It is a warning to me after this to have questions repeated, because I sometimes do not hear everything.

I have been looking over the report of the committee of last year, and I notice recommendation No. 4 reads:

> Your committee further recommend that the Soldier Settlement Board shall have discretionary power to relocate bona fide settlers that are found to be located on manifestly unsuitable farms, such relocation to be made without financial loss to the settlers.

I am going to send for the board and go into the matter very carefully, and find out what powers they have under the act. They have had experience as to the possibility of

affording some relief in some instances. I observe from the remarks of the right hon. leader of the opposition that he concurs in my statement that generally speaking the land was well bought. But there are cases—and we seem to agree upon that—in a few odd sections where the land was not well bought. I shall consult the Soldier Settlement Board about that.

Mr. LADNER: The nature of the resolution apparently fixes an arbitrary sum, a percentage of reduction. Now at different times since the war prices have been high or they have been low. In some cases chattels were bought at advantageous prices, while in other cases unreasonable prices were paid. Does the minister think that, as a matter of policy, it is sound to make a set specific reduction, irrespective of the original cost price, or whether they have any relationship to the market value.

Mr. CAHILL: That is what my hon. friend's leader suggests.

Mr. LADNER: I do not know anything about that.

Mr. ROBB: I gather from my hon. friend's remarks that he is not in accord with the sentiments expressed by his leader.

Mr. LADNER: I do not care about that. We are in committee and I am speaking for myself. I have my own idea. There are isolated cases where ridiculous things have been done. You may have purchased a grade cow for $200 four years ago. The cow perhaps at that time was worth $125. It may now be worth only $75. If you make a reduction of 20 per cent which is $40, you then bring your price down to $60, and you have the price so far above the market value to-day that there is no inducement for a man to stay on the farm and milk that cow and endeavour to produce results. You may apply the argument to the purchase of a whole dairy herd, or to all the stock and machinery a man has on the farm. My point is this: That I think the basis of the whole resolution and policy is unsound, because the reduction should be made having regard to the relationship of the reduction to the market value to-day; so that when a man is faced with what his obligations are, he knows it is in his interests, and it is better for him, to remain there and face those obligations, because he has an asset which will be worth something when he discharges his obligation. If you put the whole thing above the market value he will have no incentive to stay there, and you will have a section of the men saying to the government, "After you have made the reduction you are far above the market value, and you are not going to hold us to that market value—."

Mr. ROBB: Does the hon. member suggest that we had better drop the whole legislation?

Mr. LADNER: No, my suggestion is that the reductions should be made in relationship to the actual market value of the goods or chattels to-day; so that when the reductions are completed there will then be left an equity, or an incentive or an inducement to the man to stay there and utilize his machinery, whatever it may be, and carry on with his dairy herd to obtain results. In that way the government would be further ahead than if they let the man walk out and sell at the actual market value.

Mr. GOOD: The minister asked the House to consent to the passing of this resolution. It seems to me under the circumstances he would be very well advised to let the matter stand over because the House will be committed to something pretty specific if this resolution is passed to-night, and when the bill appears before the House they will not be at liberty to make any changes.

Mr. ROBB: I say very frankly to hon. members that if they do not want this resolution I am not going to pursue it much longer.

Mr. WARD: Just there I would like to have a word very directly with the minister in charge, in regard to my fear of this matter being passed to-night. The result will be that in a week from now this will go out into the hinterland, where returned men are waiting, day after day to hear what is going to happen. I was one of those who was fool enough to accept the statement of the Minister of the Interior a year ago; I went back to my constituency and I peddled it all over among the returned men that we had a definite assurance by the government—and I did believe it, because I had faith in their sincerity—that they intended to carry that assurance into practice, and I told my people that, and implored scores of them to stick to their bargain. I am safe in saying that I have had at least a hundred appeals from returned men throughout my constituency asking me what they would do. They would say something like this: The situation is such and such; what would you advise me to do? Would you advise me to stay on the farm? I would reply to them, simply: Yes; the government is, I am sure, going to give us a revaluation next year, and I think the percentage will be

sufficient to warrant you in remaining on your farm. If it goes out to-night and is spread broadcast as it will be in the papers to-morrow morning that the government has brought down its legislation for this year and that no provision is made for revaluation of soldier lands, I fear the result.

The minister has endeavoured to build up a case to-night based upon the report of the Ralston commission. He has given us certain figures which he has taken from the report of that commission and so on. He has told us of payments made last year and so on. An hon. member speaking in this House last year when the resolution was before the House said this, and we shall see whether what has happened in the last year coincides very closely with what the minister has stated:

After having made a survey of my constituency—

Mr. NEILL: Who is that?

Mr. WARD: An hon. member.

—and after having secured figures from the various departments, I found that this condition prevailed in my constituency. There had been—I use the term "had", because I do not contend that the same amount is invested now—invested in that constituency through the Soldier Settlement Board, $2,750,000. Of that sum, on the 30th September last, abandonments had taken place to the amount of $600,000, of which the government or the board had been able to salvage only 18 per cent. If abandonments should continue for another two years at the same rate at which they have taken place during the last twelve months, we shall have lost all the returned soldiers but 15 per cent.

I will prove a little later on that this has all come true. I secured from the Soldier Settlement Board a few days ago information as to the number of abandonments that have taken place in the last twelve months, and I find that 1,217 have taken place in that time. Therefore, hon. members will see that what was said then has just about come true. Let me follow that up a little further.

That is the situation in my constituency. Therefore, if the abandonments continue at the same rate for another two years, we shall then be in exactly or almost the same position as we would be if we cancelled the entire account to-day. I am not, however, asking for cancellation of the entire account, I am asking for revaluation. Two years ago when a special committee sat considering these matters, I was one of the few members of this House who strongly advocated revaluation then.

The point I wish to make is that in another twelve months from now, owing to abandonments that have taken place, practically the entire soldier settlement of that constituency will have disappeared and gone heaven only knows where. Following that up, I should like to read a letter just received from a returned soldier in my constituency revealing some further situations in that constituency:

I am sending along some Soldier Settlement Board sale bills.

I will exhibit these in a minute.

I would like to have got a bill of another sale in Ste. Rose about a month ago. Jake Heesaker of Million was out. He told me there must have been the stuff of ten different settlers sold. So I was thinking if Major Barnett was giving another glowing report on how well the soldier settlers were doing and how much they were able to collect, you might feel inclined to ask him "how come?"

The same settler who sent that in forwarded a number of these bills, and I notice in looking over them there are ten sales advertised on these bills. One is for March 30, another for March 26 and another for March 17. It will be recalled that a year ago when this question was under discussion, a number of questionnaires were submitted to the House. I think it was the hon. member for Bow River (Mr. Garland) and myself who got together, prepared a questionnaire, and had it submitted to a large number of returned men throughout different constituencies. In that questionnaire we asked what had been paid for the land originally and at what they valued the land at the present time. In nearly every case the land was valued at from one-quarter to one-third of the original price. I have lived in the Dauphin district for almost thirty years. I settled on a homestead and I know something of what it means to clear up rough land. I say frankly that the average farm that was bought throughout that constituency at about $3,000 is, from a productive point of view, not worth more to-day than twenty-five per cent of that amount. The leader of the opposition (Mr. Meighen) described in better words than I could use the situation along lake Manitoba which probably is the second largest soldier settlement district in the Dominion. In view of the situation that he pictured there, can the minister not see the absolute necessity of bringing about some form of physical revaluation? I worked out with the Minister of the Interior (Mr. Stewart) one day last week a plan whereby I think this could be effected at little or no cost whatever to the board. We have in every district—and the districts are quite limited—a local supervisor. In addition we have what is known as a district supervisor in each province. I suggested to him that we ask the Union of Municipalities in each province to appoint a third who would be a farmer of long experience, a man whose judgment was above question, and who would be made chairman of this revaluation board. The local supervisor knows the situation very well. In each district he knows every road, every settler and the best way to reach that settler, and he can

put his finger exactly on the spot why that settler has failed. We are paying these men in any case. I am convinced that such a survey could be made of Manitoba in one summer with practically no additional cost except the employment of this chairman. If revaluation does not take place, I am convinced that in another two years we shall have only about five or ten per cent. The sum of $2,750,000 has already been invested in that one district, and according to the figures secured last year only eighteen per cent has been salvaged from the sales. If this continues as it has in the last two years, in another twelve months or so we shall have practically lost that amount of $2,750,000.

I should like also to reply to another matter that the minister dealt with in respect to resale of farms. I know the minister is sincere and honest, but I am sure if he had been in possession of the real facts, he would never have made those statements at all. There is an odd good farm here and there in the district, and it is only farms of this kind that are sold. The minister gave us the number of these resales in the last year and they were about one-fifth of the number of abandonments; which proves that it is only the odd good farms that are sold. In my own district the few farms that have been sold are just as likely to revert to the government; in fact I think they are more likely to do so. The fact that there is a change in tenants does not assure success.

I am sorry to prolong this debate, but I do not think the minister should persist in refusing to withdraw this motion and to reconsider the matter. I again impress upon him that a physical revaluation of the land is not the problem which he thinks it is. It is a very simple thing and it would be to the advantage of the government to have this done.

Mr. STEWART (Argenteuil): Surely the hon. member would not suggest that there should be a reduction in the investment to the extent of 75 per cent.

Mr. WARD: Absolutely. I have proven that in my own district—and the same is true throughout the whole Dominion—only 18 per cent was salvaged in the resales. Let me give the result of one sale I attended before leaving for Ottawa. In this case stock and equipment that were valued at $2,500 brought $375.

Mr. STEWART (Argenteuil): This may be true in one or two districts; it may be true in the hon. member's particular locality. And for that reason it is difficult to accept the suggestion made by the leader of the opposition (Mr. Meighen), because you cannot approach the matter from that standpoint. But if we are required to make a 75 per cent reduction all round we might as well abandon the whole thing.

Mr. WARD: If we continue as we are doing now the situation will be still worse. We have been able to salvage only 18 per cent from the sale of chattels, and I can assure the minister that he will find in the lake Manitoba section that the lands have not resold for 25 per cent of their original cost. The only salvation for the settlers in such districts is to bring about a physical revaluation, and I have endeavoured to point out how this can be done at a minimum cost, and indeed at practically no cost at all.

There is invested in my constituency about $2,750,000, and we had already lost a year ago $600,000 of that. To-day we can easily add $400,000 to this loss, bringing the total up to about $1,000,000. We are therefore losing in any case. In the municipality of Lawrence, which is in the very heart of the lake Manitoba section, of sixteen schools last fall only four were open. I believe the province has adopted a very progressive policy in the matter of education and has now opened nearly all these schools; nevertheless the reason why all these schools were closed was that the soldiers had moved away leaving no one to maintain them. In districts where before there were between twenty and twenty-five families there are now left only four or five families to carry on; and the burden is becoming more and more oppressive. The situation is so serious in this particular municipality that it has got into the hands of the receiver; and there is a large section between that and the lake which is unorganized and is in a most deplorable condition. I think it was the hon. member to my right (Mr. Manion) who referred to men who had succeeded here and there. Well, in some sections you will find they have succeeded to the extent of 90 or 100 per cent; but when you go into Selkirk, Neepawa and Dauphin you find that they have failed almost 100 per cent. The reason is that the potential value is not there; it was not in the farms in the first instance. The minister himself admitted a few minutes ago that the Dauphin section became the victim of inflation to an extent that did not exist in any other part of the Dominion, and this is due to the fact that this was the first section to be settled; it was here that the first application was made.

A number of more or less unscruplous land companies owning large tracts of land got the ear of the inspectors and were able to unload upon them at handsome prices large sections which were in turn unloaded on the soldiers. Many of these parcels are still held by the soldiers, and I contend again that there is only one hope for these men. Let us write them all and say, "For God's sake get out of there and go where you can make a living"; or else let us do something practical in their behalf. I once more implore the minister to reconsider this matter to see whether we cannot find a means of helping the soldiers in the way I have suggested.

Mr. ROBB: When the report of the committee was submitted last year it was pointed out that the country would sustain a loss of some $38,000,000 under this scheme; and as I pointed out this afternoon we have made remissions to the soldiers amounting to approximately $12,000,000. This afternoon we submitted to the House a resolution based upon which the government would bring in a bill to provide as a further rebate:

Forty per centum of the purchase price of all live stock advanced to the settler and purchased prior to the first day of October, 1920;

Twenty per centum of the purchase price of all live stock advanced to the settler and purchased on or after the first day of October, 1920, and prior to the first day of October, 1921.

We have been considering this resolution all day and it is now approaching midnight, and as we have had some of the officials here in readiness to go on with supply, I move that the committee rise and report progress and ask leave to sit again.

Mr. CALDWELL: When the minister takes this matter up again will he inform the committee how much has been paid in full on the farms under the 10 per cent initial payment; how much has been salvaged; what the total collections have been in the past year; and the cost of administration.

Mr. ROBB: I shall take a note of the questions.

Progress reported.

SUPPLY

The House in committee of Supply, Mr. Power in the chair.

Civil Government—Indian Affairs—salaries, $149,570; contingencies, $18,000.

Mr. MANION: Have we been in Indian Affairs before?

Hon. CHARLES STEWART (Superintendent General of Indian Affairs): No; we gave notice to-day.

Mr. GARLAND (Bow River): Mr. Chairman, I understood that the hon. member for Macleod (Mr. Coote) was very anxious to discuss a certain matter under this vote.

Mr. STEWART (Argenteuil): We are going to report progress.

Progress reported.

On motion of Mr. Graham the House adjourned at 11.35 p.m.

Wednesday, May 27, 1925

The House met at three o'clock.

OCEAN SHIPPING RATES

Mr. ANDREW McMASTER (Brome) presented the fifth report of the special committee appointed to consider the resolution to give the government of Canada control over certain ocean rates.

Mr. MEIGHEN: Who christened the committee by that name?

Mr. McMASTER: That question has been asked before in the House and replied to. I invoke the Speaker's aid to prevent useless reiteration.

LIBRARY COMMITTEE

Mr. SPEAKER presented the report of the secretary of the joint committee on the Library of Parliament.

NORTHWEST TERRITORIES ACT AMENDMENT

Hon. CHARLES STEWART (Minister of the Interior) moved for leave to introduce Bill No. 151 to amend the Northwest Territories Act.

He said: The purport of this bill is simply to amend the act in order to give us authority to exact licenses from foreigners going into the Northwest Territories. As the House well knows, a number of explorers and traders are going into the northern waters, and we do not appear to have authority to exact licenses from them and thereby assert our sovereignty over that territory. It is in

order to make that perfectly clear that I am asking for the amendment to the act.

Motion agreed to and bill read the first time.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

POTATO EXPORTS

Mr. DOUCET:

1. What was the total exportation of potatoes from Canada into the United States of America, during the respective months of January, February, March and April, 1925?

2. What was the customs tariff rate applied to such exportation by the United States?

Hon. Mr. LOW:

1. Exports of potatoes from Canada to the United States:

Months 1925	Quantity Bushels	Value
January	2,197	$ 1,385
February	9,679	3,590
March	67,972	49,124
April	16,791	11,335

The above were all Canadian produce.

2. The United States rate of duty on potatoes imported from Canada is fifty cents per one hundred pounds.

PELAGIC SEALING TREATY

Mr. NEILL:

1. Was the Pelagic Sealing Treaty signed at Washington, July 7, 1911?

2. Was it provided under article twelve (12) thereof that Russia should at the end of each season deliver 15 per cent gross in number and value of the total number of seal skins taken on the territory subject to the jurisdiction of Russia, to an authorized agent of the Canadian government?

3. Has this been complied with, and if so, what was received in each of the years since?

4. Under article thirteen (13) of the same treaty, was a similar agreement made on the part of Japan, only in her case to the extent of 10 per cent?

5. Has this agreement been complied with, and if so, what payments were made in each of the succeeding years?

Hon. Mr. CARDIN:

1. Yes.

2. Yes, for the years in which killing of seals for commercial purposes took place.

3. A close season for five years as provided for by the treaty was enacted by Russia during the years 1912-1916. Since that time until 1920, Canada received the quota of skins provided for by the treaty. Since 1920 no information is available as to whether seals have been taken. The following net amounts were received in the years stated from sales of Canada's share of the skins taken, but they represent proceeds from skins taken in previous years:

1919	$3,501 60
1921	2,178 64
1923	80 50
	$5,760 74
Less expenses, freight, etc.	544 69
	$5,216 05

4. Yes, for the years in which killing seals for commercial purposes took place.

5. Yes. No killing took place in 1916 and 1917, as the number of seals visiting the islands in these years fell below the minimum specified by the treaty. The following net amounts were received in the years stated from the sale of Canada's share of the seal skins taken, but they represent the proceeds from skins taken in previous years:

1917	$2,620 36
1918	962 31
1922	1,333 56
1925	448 08
	$5,364 31

LORETTEVILLE—SITE FOR PUBLIC BUILDING

Mr. DOUCET:

1. Did the Department of Public Works, in 1912-13, purchase a parcel of land in order to erect a public building at Loretteville, County of Quebec?

2. If so, from whom was this land purchased, and at what price?

3. Was there another parcel of land purchased in 1923-24?

4. If so, from whom was the latter parcel of land purchased, and at what price?

5. Why was a second parcel of land purchased?

6. Was the Post Office Department consulted in connection with the purchase of said parcels of land?

7. Did the department approve of the latter parcel of land in preference to the former?

Hon. Mr. KING (Kootenay):

1. Yes.

2. Mr. Jos. Renaud for $2,250.

3. Yes.

4. Mr. A. Savard for $4,800.

5. Renaud property not suitably located for post office purposes.

6. Yes, as to property purchased in 1913 and were well acquainted with details as to property purchased in 1923.

7. Yes, as site was recommended by the federal representative and the mayor and councillors of Loretteville.

RAILWAY EARNINGS

Mr. HUDSON:

What were the gross and net earnings by months for the year 1924, (a) of the Canadian Pacific Railway; (b) of the Canadian National Railways?

Hon. Mr. GRAHAM:

(a)

Canadian Pacific

	Gross	Net
January	$13,104,635	$ 709,012
February	12,866,055	938,618
March	14,526,728	2,332,072
April	13,482,057	1,497,607
May	14,256,040	1,629,361
June	15,102,307	2,462,890
July	14,849,956	2,339,116
August	14,397,356	3,280,707
September	15,465,582	4,581,104
October	19,274,212	7,090,615
November	17,943,756	6,122,251
December	15,527,360	4,554,048

(b)

Canadian National
Canadian and U.S. Lines

	Gross	Net
January	$18,328,491	$ 449,417
February	17,784,518	Dr. 187,041
March	20,669,619	2,293,066
April	19,051,093	1,255,694
May	19,350,770	Dr. 255,323
June	19,678,067	Dr. 926,383
July	19,986,670	585,251
August	18,323,938	713,683
September	19,311,459	2,147,456
October	22,840,698	4,693,843
November	20,946,123	3,714,304
December	19,316,737	2,760,283

PELAGIC SEALING TREATY

Hon. Mr. STEVENS:

1. Under the treaty of 1911, between Great Britain, United States, Japan, and Russia, what compensation has been paid to, (a) Russia; (b) Japan; (c) Canada; (d) United States?

2. Has the treaty and subsequent arrangement thereunder of July, 1911, been officially published in Canada, and if so, where may these publications be found?

3. Under article 16 of the said treaty, has any notice been served by any of the four signatory powers that the said Treaty will be terminated?

4. Has there been any accounting given for the seals killed at Robben Reef, Japan and Commander island, Russia?

5. Has Canada received payment of 15 per cent under articles 12 and 13 of the said treaty?

6. Has pelagic sealing been carried on at Okhotsk sea since the treaty was entered into?

7. Have the United States authorities reported on the status of the sealing herd? If so, what steps have been taken to check the accuracy of the said reports?

8. Did the experts, at the time of the Treaty, estimate that its effect would bring the herd up to about three million?

9. What is the total number of seals killed on the Pribiloff islands since 1900?

10. Is the government aware that the number killed since 1910 on the said island, is about double the total catch by Canadian sealers prior to 1910?

11. Did W. T. Hornaday, the seal expert, estimate that the herd numbered to-day about three million seals?

Right Hon. Mr. MACKENZIE KING: Passed as an order for return.

Mr. STEVENS: Mr. Speaker, I think the question requires but short answers and could better be dealt with as a question than as an order for return. It is not a matter of political expediency, but rather one of very great interest to certain sections of the country, and I would respectfully suggest that the question should stand for answer.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my desire to have it pass as an order for return is because it is not one question but eleven and will involve a good deal of investigation before it can be answered. However, if my hon. friend prefers to have it remain on the order paper until answered, I have no objection.

Mr. STEVENS: I have no objection to that course being followed, but I should like to have the question answered; I do not want it to remain on the order paper indefinitely.

STATUS OF CANADA

On the Orders of the Day:

Mr. W. F. MACLEAN (South York): Has the leader of the government (Mr. Mackenzie King) any statement to give to the House regarding certain discussions that are going on in London with the imperial government looking to the altering of the status of this "colony" of Canada, under the direction of the Right Hon. the Secretary of State for the Colonies?

Right Hon. W. L. MACKENZIE KING (Prime Minister): I have not any statement to make to the House on the matter at the present time.

WRANGEL ISLAND

On the Orders of the Day:

Mr. H. C. HOCKEN (West Toronto): Is the Minister of the Interior (Mr. Stewart, Argenteuil) prepared to bring down the information regarding Allan Crawford who died on Wrangel island?

Hon. CHARLES STEWART (Argenteuil, Minister of the Interior): Has there been an order for a return?

Mr. HOCKEN: The hon. member for Fort William and Rainy River (Mr. Manion) some time ago requested the minister to bring down the information and I think the minister promised to do so.

Mr. STEWART (Argenteuil): I am not very sure; I believe I promised the hon. member for Fort William and Rainy River that I would bring down the papers when the estimates were under consideration. I have a faint recollection however that an order was passed for the production of papers relating to the matter. I am having them prepared in order to make the necessary explanation.

Mr. MEIGHEN: If the minister would try to have them brought down before the appropriate estimate comes up for discussion it would be better for the House.

BUSINESS OF THE HOUSE

ASCENSION DAY AND EMPIRE DAY

On the Orders of the Day:

Right Hon. W. L. MACKENZIE KING (Prime Minister): There is a Canadian Press despatch reproduced pretty generally in the press which I think demands a word of explanation if not also of comment. It is published in this morning's Citizen under the following title:

Blame Premier for Empire Day sitting: Dominion convention of the Orange Young Britons passes resolution.

The despatch is dated Peterboro, Ontario, May 26, and reads:

The following resolution was unanimously passed by the Dominion convention of Orange Young Britons in session here to-day:

Whereas the House of Commons of Canada adjourned on Ascension Day, a Roman Catholic holiday, and on the direction of the Prime Minister of Canada the same House of Commons sat yesterday, May 25, the day set apart for the commemoration of Her Gracious Majesty Queen Victoria, be it resolved that this grand lodge of Orange Young Britons place itself on record as condemning the unpatriotic and unprotestant attitude of the Prime Minister of Canada in thus permitting the Roman Catholic hierarchy to control and dictate his actions which violate every principle of British imperialism and a free Canadian government.

So far as the House not sitting on Ascension Day is concerned, parliament on this occasion has but followed the practice which has been observed from the days of confederation up to the present time, implementing a pledge given in this House directly with respect to the employment of civil servants and indirectly with respect to the sitting of the House of Commons itself on that day. The pledge to which I refer was given by the Right Hon. Sir Robert Borden when he stood in the position which, at the moment, I occupy. If hon. members will refer to Hansard of June 26, 1920, at page 4262, they will find the record of a discussion which took place in this House at that time with reference to the observance of certain religious holidays. Speaking particularly of Ascension Day as one of those holidays, the Right Hon. Sir Robert Borden is reported as follows:

I have said two or three times that so far as these days of religious observance and religious duty are concerned, the whole matter has rested on custom and convention.

A little further on he says:

I hope hon. gentlemen will accept the assurance on behalf of the government that this custom and convention which has prevailed in the past will continue in the future.

I think my right hon. friend opposite (Mr. Meighen) when he was Prime Minister followed the same practice in asking the House to refrain from sitting on Ascension Day, as being a day of religious observance so far as a large number of hon. members of the House are concerned, and in accordance with the custom which had prevailed, I understand, from the days of confederation.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I rise to a point of order. If this is to be made the subject of such lengthy explanation and argument it should be brought up on some other occasion and not on the orders of the day, especially in view of the fact that no notice has been given anyone. The Prime Minister should not take this opportunity under those circumstances to quote authorities extending over years. It is hardly fair to those who may take a different view.

Mr. MACKENZIE KING: I am very much surprised at the position the right hon. gentleman takes. I should have thought that the leader of the opposition would be the first to endeavour immediately to remove any false impression of a character such as this resolution conveys.

Mr. MEIGHEN: Bring the matter up in the proper way.

Mr. MACKENZIE KING: In the proper way?

Mr. MEIGHEN: And at the proper time.

Mr. MACKENZIE KING: The proper time after the publication of such a resolution is immediately the House assembles. I cannot understand my right hon. friend's objection nor the point of it.

Mr. MEIGHEN: I am raising a point of order and I should like to have a ruling upon it. If the Speaker rules that the Prime Minister is proceeding in the proper way I am satisfied.

Mr. SPEAKER: No lengthy explanations, declarations and statements are permissible

on the orders of the day, and I think that the right hon. the Prime Minister has now stated his point fully. He has explained the custom of the House and the attitude of governments since confederation as regards the sitting of the House on Ascension Day, and that I think closes the incident.

Mr. MACKENZIE KING: But I am also referring to Victoria Day, Mr. Speaker; the article has reference to both. I would respectfully submit that there is not a phrase in the explanation I have so far given the House that is not essential to a proper statement of the government's action in this matter. With regard to the sitting of the House on Victoria Day, I took the trouble of communicating with the High Commissioner for Canada to ascertain what the practice of the British government was with regard to the sitting of the British parliament on that particular day. I was informed that the British parliament would sit on Victoria Day and I felt that if the British parliament considered that a proper way to observe Victoria Day we should not be any less loyal if we observed the day in the same way. I should perhaps add that I had nothing to do with this House not sitting on Ascension Day; it was hon. members of the House of Commons themselves who, by unanimous resolution, agreed not to sit on that day. I merely brought before parliament a resolution to the effect that when the House adjourned on Wednesday, May 20, it should stand adjourned until Friday, the 22nd instant. That resolution was adopted unanimously by the House, so that it was the House itself that decided not to sit on Ascension Day. With respect to Victoria Day, the hon. member for St. John (Mr. Baxter) asked:

> What is the intention of the Right Hon. the Prime Minister with regard to sitting on Monday, May 25?

I replied, as reported at page 3168 of Hansard:

> The government thought it would be meeting the wishes of the House generally if we sat on the 25th May in order to get through the business as soon as possible.

No exception was taken to that statement; no hon. member asked that Victoria Day should be observed in any other manner than that indicated. Had there been any exception in any particular I would have told the House then, what I have just said, about the practice in the British House, and left it to the House itself to discuss the matter further.

Mr. MEIGHEN: The point of order I drew to your attention, Mr. Speaker, was merely that when a subject of this kind comes up in this House—and there have been frequent instances—it should come up when the debate upon it could be conducted under fair terms. I want to say that personally I have no objection whatever, and never had, to the suspension of our proceedings over Ascension Day. The day was observed by the late government, and I repeat, I have no objection whatever to its observance at any time. As to Victoria Day, my understanding is—I speak subject to correction—that it is not a public holiday in England at all; it is in Canada. That distinction is worth drawing attention to.

Mr. MACKENZIE KING: In reply to my right hon. friend, I would say that in Canada, as in England, the House of Commons itself determines the days of its sittings.

OWEN SOUND ELEVATOR

On the Orders of the Day:

Mr. MATTHEW R. DUNCAN (North Grey): Mr. Speaker, I wish to call attention to a statement made by the hon. member for Dauphin (Mr. Ward) with reference to the elevator at Owen Sound. According to Hansard he said, "It is only a distributing point." In this the hon. gentleman is mistaken, as both the Canadian National and the Canadian Pacific carry wheat from this elevator to the seaboard. I wonder where the hon. member got the information, and I would ask him to withdraw his incorrect statement.

Mr. WARD: Mr. Speaker,—

Mr. SPEAKER: Orders of the day.

OPIUM AND NARCOTIC DRUG ACT 1923 AMENDMENT

Hon. H. S. BELAND (Minister of Health) moved the second reading of Bill No. 46 to amend the Opium and Narcotic Drug Act, 1923.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Definitions.

Mr. BELAND: I do not think this section needs any explanation, Mr. Chairman, it being simply an amendment of the interpretation clause dealing with the definitions of the words, 'physician," "veterinary surgeon" and "dentist."

Section agreed to.

On section 2—Minister may issue licenses, make regulations therefor, and prescribe fees.

Mr. BELAND: This amendment is for the purpose of making it clear that a license granted to any person to engage in the manufacture, sale or distribution of narcotics is good only at a stated place. The underlined words are new. There does not appear to be any objection to the amendment.

Mr. ANDERSON: With regard to the phrase "a stated place", must a person have his place of business for the selling of drugs at a stated address?

Mr. BELAND: It applies only to the case of those who may have branches in different cities. They would have to secure a license in each place.

Mr. ANDERSON: For each branch?

Mr. BELAND: Yes.

Section agreed to.

On section 3, subsection 1—Unlawful possession.

Mr. BELAND: This amendment is necessary by reason of a decision handed down by the Supreme Court of British Columbia, that section 4 (d), as it stands, creates two distinct offences where a person is charged with possession, and has been held to be bad law. Section 4 has been subdivided into two subsections to get over the objection raised by the courts.

The underlined words in (d) are new. Paragraph (f) as added is in the words of the old (d). The words "with or without hard labour" are inserted in the penalty clause.

Mr. MEIGHEN: The explanations here are very brief. There is no explanation given of subsection 2. I could not get any connecition between the minister's words and subsection 2 of section 2. What is the effect of putting in the word "each"?

Mr. BELAND: It means that every manufacturing establishment, even though it be a branch of a main factory, will have to secure a license.

Mr. ANDERSON: Is there any change in the fee?

Mr. BELAND: No. I am informed that there is no change at all in the practice. It makes the law clearer.

Mr. ANDERSON: What is the fee?

Mr. BELAND: Twenty-five dollars.

Mr. ANDERSON: If that applies to each license, then there would be a doubling or trebling of fees.

Mr. BELAND: In some cases, yes.

[Mr. Beland.]

Mr. WOODSWORTH: I understand that the minister had something to do with the conference on the drug traffic. Are our laws being directly related to the production of the drug and to its international control?

Mr. BELAND: No, this is purely local; it does not deal with production of the raw material. As a matter of fact there is no production of the raw material in Canada. The bill refers particularly to traffickers and dealers who may sell or handle cocaine or morphine.

Mr. WOODSWORTH: It hardly seems reasonable that we should try to control the drug traffic here and make it illegal to have possession of these drugs unless at the same time we are doing something to prevent the production of drugs and the making of profit from them in other parts of the empire.

Mr. BELAND: Perhaps I might in a few words outline the efforts that have been made internationally to limit or restrict the production of their drugs, especially at the last international conference at Geneva. The idea was to reduce the production of opium and the coca leaf to the medicinal and scientific requirements of the world. As was to be expected, strong objection was made to this proposal because, as can be understood, many interests are at stake in this connection.

Mr. WOODSWORTH: By what parties or nations were these objections to the restrictions made?

Mr. BELAND: I was just coming to that. The objections in some instances were qualified. There is an economic problem at the bottom of the whole question, arising out of the fact that a large number of peasants and agriculturists in various countries derive an income from the cultivation of the poppy in the case of opium, and the cultivation of the coca plant in the case of coca leaves. Probably millions of persons obtain a living through the cultivation of the poppy in India, Persia, Turkey and China, and perhaps some other countries, and the cultivation of coca leaves in South America. In India opium is used in the form of what is called prepared opium—chiefly for mastication—which is entirely different from the opium used for smoking purposes, although British rule has during the last quarter of a century accomplished a great deal in restraining its use in that country. The idea prevails in India that some almost supernatural power attaches to opium; it is a family remedy which many of the natives of that country look upon as having the power to cure all ills, moral, mental or physical. So that if you prohibit the use

of prepared opium in India you meet with very serious objections on the part of people who claim that their individual liberty is being interfered with; that opium has come down to them from their ancestors and that the right to use it should by no means be taken from them.

Mr IRVINE: The minister has put forward the idea that economic interests are the reason why the production of opium and its derivatives should not be interfered with in India. If the legislation which we are now considering, and which is to be paralleled in other countries, is effective, will it not have exactly the same result on the opium production in India as if it was prohibited at its source, and if Canada has a voice on the international board dealing with that matter, would it not be more effective to deal with it there than by legislating here?

Mr. BELAND: We are mainly concerned in Canada with the use of derivatives of these raw products I have mentioned. The derivatives are commonly known as salts. My hon. friend perhaps is aware that morphine, for instance is a derivative of opium, and so is codeine and heroin; cocaine and its salts are the derivatives of the coca leaves. I was dealing presently with the raw products, and I was about to mention that whilst opium is used as a chewing or masticating material in India, in China it is used for smoking purposes. There, again, you will run up against prejudices which are very deeply rooted in the minds of the population.

My hon. friend from Centre Winnipeg asked what was the use of making a law in this country to prohibit the use of narcotic drugs if you do not go to the very root of the question and stop production. Well, there is the difficulty, and it was that difficulty which caused the United States to withdraw from the conference at Geneva last winter. The United States submitted that all contracting parties should undertake to reduce the production of opium and coca leaves to the strictly medicinal and scientific requirements, and a limit of ten years was set by the United States. Very strong objections were taken to that by some countries, principally by Great Britain; not that Great Britain was willing to allow this evil to continue any longer than was necessary, but because of certain practical difficulties which were in the way. Hon. members will perhaps have noticed that Lord Robert Cecil at that conference submitted a proposal the sense of which was that Great Britain would undertake to limit the production of opium in India and in any other British territory within ten years to run from the date when an international commission would certify that no contraband could take place from China. China is at the present time politically in a state of disorder; it is very unstable, and the illicit exportation of opium to other countries is very large. This proposal of the British delegation did not meet with the approval of the American representatives, who stuck to their proposal of doing away with the excess production of opium and coca leaves within ten years, claiming they had attained this end in the Philippine islands, which are under their administration.

Mr. WOODSWORTH: Was it not two years ago, on the initiation of Mr. Wellington Koo, Chinese representative on the council of the League of Nations, that the effort was made to prohibit the opium traffic in China, and was this effort not defeated by the League of Nations?

Mr. BELAND: I am not in a position to answer my hon. friend with any degree of accuracy in that connection. It is I think due to China that we should mention that as far back as 1908 the government of China undertook to pass legislation of a most drastic character in order to stop entirely the cultivation of the poppy. So drastic was this law that peasants who ran contrary to it and indulged in the cultivation of the poppy were simply executed. That was shortly before the revolution in China, which did away entirely with those provisions. Since then other efforts have been made by other governments in China, but they have not amounted to very much. The country is so extensive and the population so immense that it must of necessity be very difficult to keep under strict control the contraband from China. So much for the problem which my hon. friend said we should deal with first.

The international conference has dealt with the traffic in opium and manufactured drugs as completely as is feasible under the circumstances. The conference in its convention provided for the creation of a central board of control, with its seat at Geneva, to be composed of eight members, of whom one will be appointed by the United States and one by Germany, and the other six by the League of Nations. Now the powers of that board are defined in a convention, and I do not suppose, Mr. Chairman, that you want me to go into very great detail in this connection. However, let me point out briefly that this board will

have the supervision of the world traffic in opium and coca leaves, and all derivatives of these two main raw products. Every contracting party—that is every party that has signed a convention—undertakes to submit to this central board before the end of each year an estimate of its medicinal and scientific requirements for the following year. That is the first condition. The second condition is that every contracting party will have to submit within three or five months after the end of each year the quantity of drugs, that is opium or coca leaves or drugs manufactured from these products, imported during the year within their territory, the quantity of drugs manufactured in their territory and the quantity of drugs consumed in their territory for medicinal and scientific purposes, the quantity left in stock, and the quantity exported. If this is done by every contracting party it is assumed that it will be possible for the central board to keep a close supervision of the traffic in drugs amongst the countries which are signatories to the convention. There is also a provision in the convention requiring an import and export license in the case of every import and every export. There is also a provision that every contracting party shall enact laws in order to control as closely as possible the mnufacture of drugs. Each manufacturer requiring a license to import must at any time be ready to allow his premises to be inspected by the governmental authorities in order to ascertain what quantity of the drug he has imported in a raw state or in a manufactured form, what quantity of the drug he has manufactured himself, what quantity he has disposed of, and what quantity remains in his possession. All these points have been covered very closely by the different committees of the conference. I think this explanation covers pretty well the subject which was raised by the hon. member for Centre Winnipeg.

Mr. WOODSWORTH: I should like to ask what attitude Canada took at this conference; whether this country through its representatives endorsed the attitude of Great Britain and the Indian delegates?

Mr. BELAND: As far as Canada is concerned we are somewhat in the same position as the United States; we do not produce opium, we do not produce coca leaves, and we do not manufacture, to any great extent, any of these drugs. No measure appeared to the representatives of Canada so drastic that they could not support it; but they were aware that it was absolutely useless to attempt the impossible—that there was a possibility of running up against some practical difficulties which would not tend to bring about the desired solution. As regards the control of the production of the raw material; the control of the exports and imports from and to every country concerned and the manufacture and distribution of these drugs in every country interested, the representative of Canada was ready to adopt any measure however drastic it may have been. But in the last few days of the conference the representative of Canada, who during that time was Mr. Riddell, agreed with Great Britain that the proposal of Lord Robert Cecil was acceptable. This was to the effect that the production of opium and coca leaves should be limited to strictly medicinal and scientific requirements after ten years, that period to run from the day upon which the international commission would have been in a position to declare that there was no danger of contraband from China.

Mr. WOODSWORTH: The minister used the word "medicinal and scientific purposes." I should like to ask whether he was a party to the change of that phrase to "legitimate purposes?" I believe that the Americans stood for the words which the minister has used "medicinal and scientific purposes", but that the phrase was changed to "legitimate purposes." I should like to know what attitude the minister took in that regard?

Mr. BELAND: In substance there is no change that I can see. "Scientific and medicinal purposes" would be considered legitimate and "legitimate," I think, would be applicable only to medicinal and scientific purposes.

Mr. WOODSWORTH: I should like to ask the minister whether the masticating process which he has described is legitimate?

Mr. BELAND: It depends upon the country which passes the law. It would be legitimate, I suppose, to smoke opium in China, or rather it is not legitimate but it would be if the law allowed. But in certain of the provinces of India the natives are allowed to masticate and eat opium.

4 p.m.

Mr. WOODSWORTH: I would submit that if it is legitimate to smoke opium in China and chew opium in India the advance made really does not amount to very much. I thought we were getting somewhere when the restriction to "scientific and medicinal purposes" was proposed.

Mr. BELAND: If I said it was legitimate to smoke opium in China I immediately corrected the statement. The practice is not legitimate or permitted in China; but in India the use of opium is permitted in many provinces. I am not thoroughly conversant with the conditions in India but I was informed, and so also was the conference, by the representative of India that in that country not more than 13 millions of people are addicted to the eating of opium out of a population of over 300 millions. This is the declaration that was made by India's representative at the conference. Whether accurate or not it was contradicted by many people, but there you are.

Mr. IRVINE: Is it not the case that the words "scientific and medicinal" were dropped and the word "legitimate" substituted in order to meet the situation in India?

Mr. BELAND: That may be.

Mr. WOODSWORTH: There are a few remarks I should like to make. The minister has said that the production of opium is very extensive, and that it must not be interfered with on account of the welfare of the peasants of India. I should like to call attention to the fact that facing a deficit in 1923 the Inchcape Retrenchment committee report, after carefully considering the opium revenue, warns against any reduction of the price paid to cultivators, lest they turn to the growing of other crops and, to use the words of the report, that "this important source of revenue" will be endangered.

We must face the fact that very large financial interests are involved in this matter. I note that as late as 1923 the directors of the North Borneo Company acknowledge in their report a fear lest to introduce measures for the suppression of opium smoking would restrict the inflow of Chinese labour, which is "vital to the progress and development of North Borneo." Still more recently the British Malaya Opium committee declared that:

> Any check on a free flow of labour from China would have disastrous effects on the economic position of British Malaya.

And in their memorandum supplied to the conference, the Netherlands government offers the same excuse for the non-abolition for opium smoking in the Dutch East Indies. Foreign Affairs of November, 1923, states:

> In reply to Mr. Arthur Ponsonby who asked in parliament last session for details of the amount of revenue received by various colonies from sales of opium, the Colonial Office supplied these figures:

	Proportion of revenue from opium per cent
Hong Kong	22.4
Straits Settlements	45.5
Federated Malay States	16.8
Sarawak	14.0
Ceylon	0.75
Johore	34.25
Kedah	33.3
Pertis	44.3
Kelantan	23.5
Treuggann	37.7
Brunei	14.9
M. Bornes	12.3

As long as large and important British colonies derive such a large percentage of their revenue from the production of opium, it is almost hopeless for us to attempt effectively to restrict the traffic. These bills that we discuss here and the penalties that we inflict upon local dealers in these drugs are very ineffective so long as we do not resolutely attack the main problem itself in the production and in the large revenues derived from the production of this commodity. It was stated as far back as 1891 by the British House of Commons that "the system by which the Indian opium revenue is raised" is "morally indefensible." That statement still stands, and we in Canada ought to have sufficient courage to stand against that system, even though this may mean that in this regard, we must remain apart from some other portions of the British Empire.

Mr. BELAND: Perhaps a word of explanation is in order. I do not think it is entirely fair—I say this in all due deference to my hon. friend—to convey to this committee the impression that the British government is deriving benefits out of the cultivation of the poppy.

Mr. WOODSWORTH: Would the minister suggest that those figures given on the floor of the British House of Commons are not correct?

Mr. BELAND: I do not suggest anything of the kind; but if I am at all conversant with the situation in India, I do not think the British government is deriving any revenue from the cultivation of the poppy. The matter is so regulated in India that each provincial government has complete control of whatever revenue there is. I am conveying to the committee only some information which was given to the conference by the eminent representative of India, Mr. Campbell. Mr. Campbell, in the face of forty-one representatives of the different nations of the

world, stated emphatically that the government of India or the government of Great Britain did not derive a single cent from the cultivation of the poppy. If that was untrue, does my hon. friend not think that out of the forty other representatives there, objection might have been raised as to the accuracy of the affirmation of Mr. Campbell?

My hon. friend has said: Of what avail will it be to legislate in this country if we do not deal with the production of opium, especially in India? My hon. friend is, perhaps, not aware that not ten pounds of Indian opium are imported into the United States or Canada. The quality of opium raised in India is inferior, containing less than 5 per cent of alkaloids. The opium which is mainly used in the United States or in Europe for the manufacture of drugs is opium which is cultivated or raised in Persia and Turkey and which is a good deal richer in alkaloids than Indian opium. Therefore, even if we stopped entirely the cultivation of the poppy in India, that would not make any difference as regards America, because manufacturers in Europe would have their source of supply entirely in Persia and Turkey. I do not think my hon. friend is completely fair when he intimates that an immense revenue is derived by the British government from the cultivation of the poppy in India.

Mr. WOODSWORTH: I did not say the British government. I said that the various colonies were deriving revenues from this traffic, not the British government itself.

Mr. BELAND: That is all right. No doubt in some of the provinces in India some revenue is derived from the cultivation of the poppy, and this may be true also of some other colonies of the empire in the Far East.

There is still this further objection in the way of those who want to suppress entirely the cultivation of the poppy. The conference was never animated by any desire to protect the revenue of any of those small countries, and I have not heard the British delegation or any delegation from the Orient claim that they should be protected as regards their revenue. Such a claim was never advanced during the conference. Some claims were made on behalf of the peasant cultivators, and some persons, such as the Persian representative, were of opinion that the big powers, the civilized nations, the European and American countries, should provide a means whereby those peasants could find a living if we stopped them from raising the poppy.

[Mr. Beland.]

Mr. WOODSWORTH: Is it not true that Persia was willing to renounce any revenue which it might derive in that way?

Mr. BELAND: Yes, but at the same time the representative of Persia pointed out that that could not be done without compensation from some source. He went so far as to intimate that the United States, having almost all the gold of the world, should come forward and disburse something.

Mr. ANDERSON: What effect has the present act had on the control of the traffic in narcotic drugs in Canada?

Mr. BELAND: This act improves the conditions to a certain extent. We are providing for instance that no foreign doctors shall prescribe drugs in any quantity. In future they will have to be registered under the Canadian acts.

Section agreed to.

On section 4—Written orders for drugs to be signed and dated and signature verified.

Mr. BELAND: This is an important amendment. It is only fair that when a man presents himself to the bank a cheque made to his order he should endorse it and satisfy the bank that he is the person to whom the amount is payable. And when a person goes into a retail drug store with a prescription signed John Smith, M.D., it is but reasonable to expect that if the druggist does not know the physician whose name appears on the prescription he should take steps to ascertain whether the signature is genuine or not. He should take every precaution to see that he does not fill a prescription signed by a bogus physician. The section carries out this idea.

Mr. ANDERSON: This provision would not be always fair, especially to a physician who has newly set up in a strange city. How would the druggist satisfy himself as to the identity of such a physician? I do not think it would be reasonable that the druggist should refuse to fill such a prescription.

Mr. BELAND: No doubt in some instances this might work a hardship. My hon. friend might go to Winnipeg where he might have relatives and if he prescribed it might happen that some druggist would refuse the prescription. But that would happen in very few instances inasmuch as it is always possible for the party interested to satisfy the druggist who the doctor is. On the other hand, if a druggist is going to accept any prescription at all, anybody could sign a prescription and enable an addict to secure drugs in this

way. And the illicit use of drugs is carried on to a very large extent in this way. I think my hon. friend will be well advised to support this provision; the prescription should be signed and dated, and either the signature should be well known to the druggist or it should be verified in some way.

Mr. ANDERSON: Would the druggist be entitled to fill the prescription if he found the name appearing on the prescription registered in the official list of the province?

Mr. BELAND: It would hardly be sufficient that the name appearing at the bottom of the prescription should correspond to one registered in the books of the province; that would open the door to forgeries. I am informed that there are thousands of prescriptions filled in Canada in the course of a year which are mere forgeries. For that reason we should try to make the law reasonably drastic.

Section agreed to.

On section 5—Penalty for unlawful prescription.

Mr. CARROLL: I agree with the minister that the law against the use of narcotic drugs should be made as drastic as possible, but I think that everybody should be treated alike. I notice that section 5 amends section 6 of chapter 22 of the acts of 1923 and it deals specifically with physicians. Now, in all cases of indictment there may be an appeal from the verdict of the jury to the Court of Appeal. That is all right. But section 24 of the original act of 1922 provides under paragraphs (a), (b) and (c) of section 4 that there shall be no appeal in the case of anyone importing into Canada or having in his possession any drug, without lawful authority, or of selling to a minor. There is no appeal in these particular cases. On the other hand, if a physician sells drugs illegally or if he has drugs illegally in his possession and is prosecuted before a jury he may appeal. That is not dealing fairly as between one class and another; it is class legislation. Indeed, it is more than class legislation, inasmuch as the doctors of this country undoubtedly know much better than the man in the street who sells drugs the extent of the harm that may ensue. This refers also to cases tried before justices of the peace. An appeal may be taken from a judge and jury on questions of both law and fact, but if a magistrate tries certain cases defined—and sixty out of every hundred magistrates have no legal training—there is no appeal. This is more or less of an insult to the judges of this country; why should there be an appeal from the decision of a duly constituted court when there is no appeal from the decision of a magistrate in cases similar in their nature ? I can understand some of the reasons why there should be no appeal in some cases under such an act as this. Take the cases that occur in Montreal, Toronto, Winnipeg or Vancouver; in these cases a man might appeal and be granted bail of $500 or $600. It might very well pay that man to lose his bail and so escape imprisonment. My only object in bringing this to the minister's attention is to urge that we should have a uniform law for both the physician and the trafficker. But I do not think we can make the law too drastic against those who deal illegally in drugs.

Mr. EVANS: Does section five or six regulate the amount that a doctor may prescribe for his patient?

Mr. BELAND: Anyone who receives drugs from his physician must be treated by that physician in the usual exercise of his profession. For instance, a man could not walk into a doctor's office and receive a prescription for 100 grains of cocaine; it would be unlawful for the doctor to hand him such a prescription.

Replying to my hon. friend from Cape Breton South and Richmond (Mr. Carroll), I have already pointed out the reason for the difference in the law. Usually, after securing his liberty by lodging an appeal, the trafficker disappears; but it is to be assumed that the regular practitioner has a well-established place for carrying on his profession, and it would be an exception indeed for him to run away. Of course, in the administration of this act a good deal of discretion must be exercised. It sometimes happens that a physician prescribes narcotic drugs in such quantities as would lead one to believe he is doing so for an unlawful purpose, and in such cases proper care is exercised not to injure his reputation. It seems to me that we should have no mercy at all for the drug trafficker, many of whom are making immense fortunes from their illicit trade.

Mr. CARROLL: You are more merciful to the doctor than to the trafficker.

Mr. BELAND: I agree with my hon. friend, but I think we are safe in assuming that the great body of our medical men are not indulging in the unlawful prescription of narcotic drugs. From reports we receive periodically from the wholesalers of the

quantity of drugs sold to the retail druggists, and of the quantity sold by the latter on doctors' prescriptions, we are able to satisfy ourselves that our medical practitioners generally do not prescribe more than is necessary in the course of their practice. If it should appear that undue quantities are being prescribed, as we found in one particular instance I have in mind, we interfere immediately and arraign the doctor before the courts.

Mr. CARROLL: I have no objection to the section carrying, but I think my objection should be brought to the attention of the minister's department. I want to see the trafficker in drugs punished, and punished severely, but I do not want to see an innocent man convicted by a magistrate who is not well trained in the law, and who indeed may be profiting by the conviction, as is frequently the case. Such a magistrate may think there is sufficient evidence to convict but as a matter of fact there may not be a scintilla of evidence to justify conviction. Why should not the man so convicted be given the right to appeal? I do not say that our doctors are trafficking in this business, but if a doctor is convicted by a judge he has a chance to appeal.

Mr. MEIGHEN: By virtue of what section is there no appeal?

Mr. CARROLL: Section 24 of the act of 1923, applicable to the ordinary trafficker under (a), (d) and (e) of section 4.

Mr. MEIGHEN: That is to say, the right of appeal is especially denied by virtue of legislation passed a year or so ago, except in the case of disputed law?

Mr. CARROLL: Unless the magistrate goes beyond his jurisdiction you cannot raise any point of law by certiorari.

Mr. MacLAREN: The hon. member (Mr. Carroll) suggests that some magistrates may have had but little experience in the judicial function. But the greater number of prosecutions in this connection have taken place in such large cities as Montreal and Vancouver, and it is a fair presumption that the magistrates in those centres are men who have a large amount of legal work before them.

Mr. CARROLL: We had an appointment in Ottawa a few years ago as police magistrate of a man who had never had any legal training.

Mr. MacLAREN: Well, I presume that magistrates in cities like Montreal, for instance, would have cases before them every day. I agree that we should be logical in the framing of laws, but if practical reasons arise which prevent the carrying out of even a logical law, then we must meet conditions as they are. The minister has made a strong case, it seems to me, for having what may be regarded as an inconsistency in the law, as respects traffickers and as respects members of the medical profession. I do not suppose my hon. friend would want to include the medical profession with the traffickers.

Mr. CARROLL: I certainly would.

Mr. MacLAREN: I did not suppose he would take that view.

Mr. CARROLL: Not generally, of course. I will explain that.

Mr. MacLAREN: As the minister has said, the medical man is not so elusive as the trafficker. The trafficker is not a man of substance, and occasionally the medical man is. In any case the medical man cannot fly about the country, because his living depends on his reputation and his practice in a given community. The trafficker is in quite a different position. So I do not think it would be wise to change even what is apparently an inconsistency unless a better arrangement can be proposed to take its place.

Mr. CARROLL: I do not place doctors in the same category with traffickers, but I would put in an even lower category the doctor who, knowing the effects of drugs on the human system, administers them contrary to the law. And surely our laws are not to be so manipulated that the man "of substance," as my hon. friend expresses it, is to get more favourable treatment than the poor fellow who has no substance. If we have come to that stage in the administration of our law, I am afraid we have gone backward as compared with the conditions of a century ago.

Mr. BELAND: This is a legal point which I confess I am not competent to deal with. But the main reason is that when traffickers who are prosecuted enter an appeal they disappear, whereas in the case of the doctors we are almost sure to be able to find them.

Mr. MEIGHEN: The minister could get over that by providing that an appellant should remain in gaol.

Mr. CARROLL: Exactly so.

Mr. MEIGHEN: As it is the judge has the right to deny him bail, and if he does grant it he has the right to fix it as high as

he likes; I do not think there is any limit. He certainly can keep the man incarcerated and thus overcome that objection.

Mr. BELAND: Could we take away from the judge the power to grant bail? I am simply asking for information.

Mr. MEIGHEN: Oh, yes.

Mr. BELAND: The practice has been to grant bail in almost every instance. This has been found to be the only means by which we could meet a difficult situation.

Mr. MEIGHEN: I remember considerable comment on the ready releases given by the Solicitor General, but I never heard complaint against the judges that they got these people out by the bail route.

Mr. MacLAREN: What percentage of the accused have disappeared upon bail being granted?

Mr. BELAND: Before the law was changed, seventy-five per cent of the men granted bail disappeared.

Mr. CARROLL: Will the minister say that he will put this matter before the Minister of Justice, pointing out what the leader of the opposition has said, and what I have said, before the third reading?

Mr. BELAND: That will be satisfactory to myself and to the department.

Section agreed to.

Sections 6 and 7 agreed to.

On section 8—Burden of proof and defence.

Mr. ROSS (Kingston): Can the minister say what will be accepted as a reasonable amount which may be furnished under this provision, or will the department settle that?

Mr. BELAND: I do not think there is any limitation as to the amount. This section simply divides into two classes those who are seeking drugs. First there is the drug addict who is ill and who requires medical attendance; in his case the physician may prescribe any amount that he thinks proper. The other case is that of the drug addict who is not otherwise ill, in which case the physician may not prescribe.

Mr. ROSS (Kingston): I do not think there is very much to it, because a physician can always find reason if he wants to. He may have a number of cases who require it constantly, and he has the choice of issuing say half a dozen or a dozen tablets or of giving say a small bottle. I do not think the department should leave the provision as indefinite as this, resulting possibly in annoyance to physicians who have to use their common sense or judgment in the matter.

Mr. BELAND: We do not do that. I can assure my hon. friend that the department is very, very careful in those circumstances. The officials realize that it might interfere very much with the practitioner's reputation if he was not guilty, and action is taken only after mature consideration, and after having satisfied ourselves that the practitioner is indulging in illegal practices.

Mr. ROSS (Kingston): What I mean is that the medical man of reputation does not want to be bothered when he uses common sense in prescribing for a patient who requires a drug. The ordinary practising physician is not charging for this script any more than he charges for another kind of script. I do not agree with what some have said in regard to the physician. In most cases the physician who is trafficking in these drugs is some young fellow who has not a practice and who can jump out at any moment, but the regular physician resident in the locality has his practice, and he will issue only what he thinks is a reasonable prescription. I know the department might question the amount in my own case sometimes and say it was a little bit large, simply for the reason that I would not charge for that script any more than the other. To prohibit a patient who has for years been using a certain amount of a drug would be just as hard as to say even to some members of parliament that you cannot have a chew of tobacco when you want it.

Mr. BELAND: I see the point raised by my hon. friend. It is a very difficult matter to deal with. We may make the law as complete as we choose, but in the administration of it we find something lacking in its provisions. We have, for example, traffickers who are themselves drug addicts, and who go to seven or eight different physicians and secure a prescription, getting ten grains from this one or ten grains from that one, and ten grains from another, without these physicians knowing that this addict is securing drugs from other physicians. We are trying here to make a distinction between the doctor who prescribes for a man who is under his supervision and who he thinks requires the drugs, and the other man, and we say:

> It shall be no defence to a physician charged with an offence under section six of this act that he did give, sell or furnish any drug to such addict or habitual user for self-administration.

The doctor will have to prove that this man is really under his care. As I said a moment ago, we have to use a good deal of discretion. If an addict comes to me to be treated, and I feel that I should prescribe something for him in the way of morphine or cocaine, and I do prescribe, I do not think I should be brought before the court for that, or for prescribing as often as I think the man requires the drug, because he is a diseased man that I am prescribing for, but I think I should be subjected to the rigour of the law if I prescribed any quantity of drugs for self-administration to any man who might come to my office and ask me to prescribe say fifty grains of morphine, a man who would come every month to my office and get fifty or a hundred grains, without satisfying myself that he was using the drug himself and that he required it for his own use. I think some discretion should be exercised, not only by the department, but by the physician. But as I said a moment ago, it is a difficult law to administer, and it is a difficult problem to meet.

Section agreed to.

Sections 9, 10 and 11 agreed to.

Bill reported.

SUPPLY

DEPARTMENT OF HEALTH

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

Department of Health—the administration of the acts respecting food and drugs, honey, maple products, opium and narcotic drugs and proprietary or patent medicines, $95,800.

Hon. H. S. BELAND (Minister of Health): There is no increase in this item. The Department of Health, as the House is aware, is supposed to expand. It was created in 1919, and the first minister I think was the Hon. Mr. Rowell. At that time it was foreseen that the activities of the department would increase from year to year, but on account of financial conditions it has been the endeavour of my predecessor and myself to restrict as much as possible the expansion of the Department of Health. It is more or less a co-ordinating department, co-ordinating the activities which were previously carried on by the Department of Agriculture, the Department of Immigration and some other departments. The work that is carried on under the Food and Drugs Act is the combating of the adulteration of food and drugs, honey and maple products. Our inspectors secure samples from the dealers all over Canada and examine them, and see that the buying public is not defrauded.

[Mr. Béland.]

As far as the Opium and Narcotic Drug Act is concerned, while we have the same administration, except perhaps that the supervision is more strict, our activities in this regard are perhaps increased, though we do not ask for any more money. During the course of last year we think we have performed some good work in the suppression of the illicit traffic in drugs. It is a difficult problem to deal with inasmuch as the narcotic drugs which are smuggled into this country and sold illicitly can be carried in a very small compass indeed.

As far as the Proprietary or Patent Medicines Act is concerned, we issue licenses, and we derive some revenue from that source, also some revenue under the Opium and Narcotic Drug Act, and under the Food and Drugs Act administration. This branch is not self-sustaining, but a substantial revenue is derived. A proprietary medicine is a medicine which carries its own formula. It is not required to be licensed as does a patent medicine inasmuch as the formula of that medicine is supposed to be a secret. The department is in possession of the patent medicine formula, however, and submits it to its advisory board which board decides whether the sale of the medicine can be permitted without harm to the public. Proprietary medicines, of course, must otherwise comply with the provisions of the act. The amount is the same as last year.

Mr. BOYS: To what extent was the appropriation used last year?

Mr. BELAND: To the extent of $93,000 odd.

Mr. BOYS: And to what extent is the administration self-sustaining?

Mr. BELAND: About $30,000 is collected in revenue.

Mr. ANDERSON: How many officials have you around the country looking after the enforcement of this particular act?

Mr. BELAND: We have twenty-five inspection districts in Canada, and there is one inspector in each district, excepting Montreal where there are two. We have food and drug laboratories also in five different cities: Ottawa, Halifax, Montreal, Winnipeg and Vancouver.

Mr. ANDERSON: How many officials are there looking after the various activities of this department in Ottawa?

Mr. BELAND: Eighty-two. Information of that character would come more appro- privately a little later under the estimates of civil government.

Item agreed to.

Pollution of boundary waters, $5,400.

Mr. BELAND: This is the same amount as last year. It had been represented that this service should be somewhat increased in view of the importance of maintaining the purity of the drinking and culinary water used on the ships plying on the Great Lakes and other inland waters. We have an agreement with the United States in this connection, and this appropriation is for the enforcement of the regulations concerning the character of the water used for drinking and culinary purposes on these vessels. We have only one sanitary engineer, Mr. Ferguson, who is paid a salary of $3,600 and travelling expenses, and he managed to do the work last year by great personal exertions. It was thought hardly possible for him to do it all, but we have refrained from giving him any help so far. The work is more important than the item would indicate. I have not got the exact figure but I think about 900 ships were examined during the season of navigation, and no doubt a great amount of disease has been prevented by the inspection of the drinking and culinary water used on these vessels.

Mr. ANDERSON: In what way does this official look after the pollution of these boundary waters?

Mr. BELAND: He has free entry to all the ships, and can satisfy himself that the reservoirs and tanks used for storing the water for drinking and culinary purposes on every ship are in a sanitary condition. He may, and does take a sample of the water on each ship, and analyses it. Then he makes whatever recommendations are necessary in order to ensure that the requirements of the law shall be observed.

Mr. BOYS: Does this item correctly indicate the purpose intended? I cannot quite see why the water that is used on these ships is called "boundary water"?

Mr. BELAND: It is the water on boundary-water ships.

Mr. BOYS: I can undertsand that all right, but that is not what the item says.

Item agreed to.

Marine hospitals, including burial expenses of destitute deceased mariners and grants to institutions assisting sailors, $140,000.

Mr. CLARK: What amount was spent last year? And what is the reason for the increase?

Mr. BELAND: There is an increase under this heading of $20,000. The purpose of this vote is to defray all expenditure incurred in connection with the treatment of sick and deceased mariners, in conformity
5 p.m. with the provisions of part 5, chapter 113, Canada Shipping Act. It comprises the maintenance of marine hospitals owned by the government of Canada, salaries to medical officers; board and medical and surgical treatment of seamen at local and designated hospitals; grants to seamen's institutes, and so forth. The department operates two marine hospitals, one at Sydney and the other at Lunenburg. At other ports provision is made as far as possible for the treatment of sick sailors at contract rates at various local hospitals. Where there is no marine or designated hospital, provision is made for their treatment at private residences, in some instances, or public boarding houses. The expenditure is generally approximately the same as the revenue derived from the collection of sick mariners' dues. The dues are two cents per ton for every call of the ship, as long as the ship in question does not call more than three times a year.

Mr. CLARK: No ship pays more than three times?

Mr. BELAND: No. All sick, injured and distressed mariners employed on ships on which this duty has been paid are eligible to gratuitous treatment. There has been a marked increase in shipping activities as instanced by the large increase in the payment of sick mariners' dues, consequently a corresponding increase in the expenditure is necessary to give the increased number of sick sailors the modern hospitalization and treatment which is demanded. This, I may say, is a self-sustaining branch of the government; everybody would wish that all branches of the government service were in the same happy position; the dues cover the whole of the expenditure, in fact it has been pointed out that we might reduce the charge made from two cents to one and a half cents a ton. But after due consideration of this subject, this has been found impossible, because in that case we would not cover our expenditures. It is true that the amount collected is larger than the amount expended. We expended more than $140,000. We collected last year $184,000. Apparently there is a surplus of about $40,000, but this is covered by other expenditures which do not come under this item.

Mr. CLARK: Will the minister give the details of those other expenditures?

Mr. BELAND: Of course, this is only an estimate as my hon.. friend will see. For instance, we have in civil government a medical man who is in charge of ports for the treatment of sick mariners. I have not his salary before me; it will appear under civil government. His salary and the salaries of his staff in the department at Ottawa are not paid out of this item. The following will show approximately the estimated annual expenditure not charged to this appropriation:

Salaries of head office for superintendent of marine hospital service, stenographer, and part of the accountant's branch..	$ 8,500
Travelling expenses..	3,000
Additional salaries for 168 collectors of customs, at say an average of $60 for collecting dues, issuing permits, directing patients for admission to hospital and making returns to to the department..	10,080
Total..	$21,580

This apparently leaves a balance of about $18,000, and that is considered a fair margin. If an epidemic were to break out in any port amongst the sailors, the government would be called upon to defray all expenses connected with it. We might in this instance run short of money. As I said before, if we reduced the dues by one-half cent, we would fall below the amount that we actually spend. Therefore, for the present year, it has been found preferable to leave the dues as they are.

Mr. BOYS: Is $20,000 not a very large item to administer $184,000?

Mr. BELAND: The administration is very much involved. We have a man who travels almost constantly from port to port. He goes from Vancouver to Halifax. He has to travel from one end of the country to the other, because seagoing ships, of course, call at both coasts. His salary is provided for under civil government.

Mr. BOYS: I can understand that, as a professional man, he should get fair compensation, but $20,000 to administer a branch which spends, all told, only $180,000, a large proportion of which is in fairly substantial grants, I suppose, to marine hospitals, seems a large sum of money.

Mr. BELAND: My hon. friend would be quite right if I did not give the explanation. In this $20,000 I gave an estimate of what the collectors of customs would be or are probably paid for the functions they perform beyond the functions that are assigned to them by the Department of Customs and Excise. For instance, dues are collected in every port by the collector of customs. When the salaries of these men were fixed by the Civil Service Commission, I presume all those duties were enumerated, so that they receive to-day a salary which is adequate to cover all the functions they perform. The Department of Health does not pay $10,080. That is an estimate. We have 168 collectors who collect sick mariners dues for us, and we say that an average of $60 per annum, or about $5 a month, is not too much for that. Therefore, we figure that we do not collect more than we should.

Mr. BOYS: Of course $60 per annum for an officer does not sound very much; but on the other hand, if you take the percentage, I think the minister will agree with me that for all that has to be done, five per cent on the total ought to be a fair allowance for collecting and it would not come to what is being spent. I do not quite see the justification for its costing $20,000 to administer a branch collecting and disbursing, if you will, $184,000. I understand it does not disburse as much as it collects. The minister pointed out that it collected $40,000 more than it disbursed. But even if we assume that this branch collected and disbursed the whole amount of $184,000, does the minister not think $20,000 is a great deal to administer that?

Mr. BELAND: But we do not actually pay out that money in the department.

Mr. BOYS: It does not make any difference to the country whether it is spent in this department or another.

Mr. BELAND: I do not mean to say that we charge more to the shipping companies than we should, but all this amount is covered by the dues. The government is not paying out any money under this service. It has a favourable balance of some $18,000. Apparently we collect about $40,000 more than we expend, so the claim has been made that we should reduce the dues from two cents to one and one-half cents. After studying the whole question, we found that if we reduced the dues by 25 per cent, we would not have enough money, especially if we took into consideration what we have to pay to our superintendent and his staff and probably what the collectors of customs are receiving for this work.

Mr. CLARK: Will the minister give the details of the collection of $184,000 by provinces, and could he give the expenditures at the same time?

Mr. BELAND: I am giving my hon. friend the figures for 1923-24. I will give the revenue first:

Nova Scotia	$43,492
New Brunswick	18,536
Prince Edward Island	471
Quebec	46,039
British Columbia	64,511
	$173,051 55
Less refunds	732 40
	$172,319 15

The expenditure was:

Nova Scotia	$36,784
New Brunswick	13,505
Prince Edward Island	1,659
Quebec	34,497
British Columbia	25,436

Mr. CLARK: What was the total expenditure last year?

Mr. BELAND: It was $144,000.

Mr. BOYS: Will the minister give a list of the marine hospitals which the government supports, with location and amount granted to each.

Mr. BELAND: We have only two operated by the government, but we have an arrangement with local hospitals in every part of the country, and where no hospital accommodation is available we have arrangements with boarding houses.

Mr. BOYS: Has the government only two hospitals in the whole of Canada?

Mr. BELAND: Only two owned by the government. But there are a number of institutes to which we give grants:

Nova Scotia: Halifax, the Navy League of Canada; North Sydney, the Seamen's Institute.
New Brunswick: St. John, Seaman's Mission Society.
Quebec: Montreal, Catholic Sailors' Club, Montreal Seamen's Institute; Montreal Sailors' Hotel.
British Columbia: Esquimault, Esquimault Sailors' Club; Vancouver, Vancouver Sailors' Home; Victoria, Victoria Seamen's Institute.

These are given $200 each, or a total of $2,200.

Mr. CLARK: The minister gave the expenditures by provinces, totalling $111,881.

Mr. BELAND: That is for the previous year.

Mr. CLARK: And the total he now says is $144,000.

Mr. BELAND: That is, for the year just ended March 31, 1925. The figures I have given are taken from the annual report, which of course goes only to March 31, 1924.

Mr. CLARK: Can the minister not give the amounts expended this year in the various provinces?

Mr. BELAND: I have not the expenditures by provinces for this year; I have only the total.

Mr. CLARK: What was the total collected and what was the total spent the year before?

Mr. BELAND: The total collected was in round figures $184,000.

Mr. CLARK: As I understand it, that is for the year just closed. I want to know what was the total amount collected in the previous year of which the minister gave the details by provinces.

Mr. BELAND: In 1923-24 the net amount collected was $172,319 and the amount expended $109,793. I have not the figures by provinces.

Mr. CLARK: The minister has given some details by provinces for that same year, and I gather that the expenditure was $111,881. Now we are told that it was $109,793.

Mr. BELAND: This discrepancy is accounted for by a small refund made of an amount that was over-collected.

Mr. CLARK: I want to point out a very serious discrimination that exists against the province of British Columbia in the matter of sick mariners' dues. It is most unfair, and it has been brought to the attention of the department for a good many years and to the attention of the present minister for at least three or four years. The minister will note that the total collections in British Columbia are $64,511 and next to that is the total in Quebec of $46,000. On the other hand, the expenditures in British Columbia amounted to $25,436 whereas those in Quebec amounted to $34,497.

Mr. BELAND: I do not think that the difference is as large this year. A statement was sent me from British Columbia showing that this year it is not so great.

Mr. CLARK: I do not know what the figures for this year are, but I know that there has been a discrepancy during the past few years and it has been enormous.

Mr. BELAND: That is true.

Mr. CLARK: The unfairness lies in this. There is a tax of two cents a ton for every call of a ship up to three calls in a year. The ships on the Atlantic will make many more calls in the course of a year than those on the Pacific coast, where there are great distances to cover. It is most unfair that ships on the Pacific, which may only be able to make at most three calls at a Pacific port, should be taxed at the same rate for a lesser

service whereas ships on the Atlantic are similarly taxed for a service which is much greater. It may be that the latter will make four or five times the number of calls, and yet they are taxed only two cents a ton. A more equitable distribution of this tax could be made, and the facts are so clear that I think action should be taken immediately by the government by way of fixing a lesser rate for ships on the Pacific, or a lesser rate to apply to every call, irrespective of number. If the ship is getting service every time it calls at a port, why should it not pay for that service at an equitable rate?

Mr. BELAND: This matter has been brought to my attention before by the Vancouver Board of Trade, and perhaps by my hon. friend himself. I recognize that there is a larger difference between revenue and expenditure with respect to the port of Vancouver than exists with respect to Halifax, for instance. Unless we make a difference in the amount of dues to be collected at the ports on the two coasts, it is very difficult to see how we can remedy the situation. There is no question it would be more equitable if we made the rate collectable four times at a cent and a half, but I do not yet see my way clear to advise this change. I think perhaps we might wait another year before taking action.

Mr. CLARK: What would be the objection to a smaller tax assessed against a ship for every call, irrespective of number?

Mr. BELAND: I have consulted some of the officials and some people outside, and I am not sure that I have not had a conference with representatives of the Vancouver Board of Trade on this subject. If we reduce the rate to one and a half cents to be collected on four trips, it will be the same of course as a rate of two cents for three trips, it being understood that ships will call at least four times, as they did before, at the eastern or the western ports. It is pretty difficult to say by how much that would reduce the revenue.

Mr. BOYS: But the complaint is not so much that as the inequitable collection and distribution of the money. I am not familiar with the figures, but listening to my hon. friend (Mr. Clark), I understand his point to be that $60,000 odd was collected in Vancouver where only $25,000 was spent.

Mr. BELAND: You must not take the collections of this year and apply them to the expenditure of last year. I have not the figures, but the difference between the revenue and the expenditure this year is not so large as it was the year previous, although there is a discrepancy still.

Mr. BOYS: Why is there that difference? Is it because there is some change in the administration, or is it a mere accident? If the latter, we do not get any further, because the point raised is: why should a large sum of money be collected, we will say, on the Pacific coast, and a small sum expended there, while elsewhere a smaller sum is collected and a larger proportion spent. That is the proposition. It does seem to me it ought to be an easy matter to find a way out of it. A mere reduction of 25 per cent in the cost of call would not rectify the inequitable collection and distribution of funds.

Mr. BELAND: It would in a certain measure, because many of the ships do not call more than three times at Vancouver on account of the distance, as was pointed out by the hon. member for Burrard (Mr. Clark), and many of them call only twice. In the latter event they would pay three cents at the rate of one and a half cents per call. On the eastern coast the ships call more often, at least four times, and they would pay six cents. So to a certain extent that would adjust matters. Many reasons may be assigned why we spend so little at Vancouver and collect so much, one being that the sailors are more healthy and therefore require less treatment.

Mr. CLARK: Or get less.

Mr. BELAND: I do not think they get less treatment if they require it, but the climatic conditions may be more favourable on the Pacific than on the Atlantic—

Mr. CLARK: Then assess them less.

Mr. BELAND: —and therefore less money is expended. The amount collected is so large because more ships call there and the tonnage is greater. This may be compared to the Post Office Department; some offices show a large surplus, others a deficit, but still the service must be carried on. A partial remedy I think would be to distribute the collection over four calls instead of three, and make the rate one and a half cents instead of two.

Mr. BOYS: The minister said representations had been made to him by the Board of Trade of Vancouver. I suppose also by the shipping companies? One would think that, being familiar with the data, they would have gone into the matter fully and have made concrete suggestions for a proper remedy. Can the minister give us any light on that?

Mr. BELAND: The people interested have submitted that they should be taxed a little less; they are in the position of the taxpayer generally. They would be very pleased if we collected only twice instead of three times at two cents, and in some cases they have suggested that we make it one and a half cents for four trips instead of two cents for three trips—knowing very well that most of the ships call there only three times.

Mr. BOYS: That would take care evidently of the expenditure in British Columbia, but perhaps it would not elsewhere

Mr. BELAND: Yes.

Mr. CLARK: To what ships does this tax apply?

Mr. BELAND: To all ships coming from foreign ports.

Mr. CLARK: Not coastal at all?

Mr. BELAND: No.

Mr. CLARK: It is perfectly obvious to me that over a period of years, including last year, the collections on the Pacific coast have been out of all proportion to the expenditure, and in view of the representations that have been made from time to time it seems to me that a solution should now be attempted. Various organizations on the Pacific coast have made concrete suggestions.

Mr. BELAND: May I interrupt my hon. friend to give him some information which has been handed to me? I think it might be of interest to him. This is a statement from 1919-20 to 1924-25 showing the net expenditure and the net surplus or deficit for Vancouver. I will give simply the last three years. The net revenue for 1922-23 was $26,213 and the net surplus $5,888. In 1923-24 the net revenue was $37,211 and the net surplus $21,420. In 1924-25 the net revenue was $32,193, net expenditure $27,781 and the net surplus $4,411.

Mr. CLARK: I have no doubt that in certain years the expenditures have been larger than others, but if the minister will take a period of ten years he will find that the average paid on the Pacific is out of all proportion to that paid on the Atlantic. He might well amend the law so as to ensure that the same proportion will be paid in respect to ships calling at the Pacific ports as at Atlantic ports. I take it that more ships come to Montreal from foreign ports than come to Vancouver.

Mr. BELAND: The number must be larger, I should say.

Mr. CLARK: And the tonnage must be greater as well. Yet for the whole of Quebec the total collections were only $46,000, whereas in British Columbia the amount was $64,511 for the same year. It is true it is for the whole year round, but that does not alter the fact that even for the short season there are more ships and greater tonnage from foreign ports calling at Quebec ports than at British Columbia ports.

Mr. BELAND Month by month, yes.

Mr. CLARK: During the whole period of the year.

Mr. BELAND: For the year? I do not think so.

Mr. CLARK: I think I am correct. I suggest that the minister average it up over a period of years and make an adjustment of the tax so that ships which can only make a limited number of calls in a year and can only obtain a limited service will pay rateably the same as foreign ships that come to the eastern ports. A very simple amendment would meet that situation and bring satisfaction to the Pacific coast on this matter. They have been exercised over it for many years.

Mr. BELAND: I will undertake to look into it further and see what can be done.

Mr. ANDERSON: How many mariners are treated in these hospitals at the various ports?

Mr. BELAND: I can give the total number. The information as to ports can no doubt be easily obtained from the Auditor General's report. The number of seamen treated in one year was 2,745.

Mr. ANDERSON: I notice in the Auditor General's report that there are quite a number of physicians at the various ports in the employ of the government to look after these seamen. Would the minister give their names and salaries?

Mr. BELAND: We have in every port what we call a port physician. Unlike other employees of the government, the port physicians receive a very small remuneration. We have a long list of port physicians in Nova Scotia, the salary ranging from $150 to $400 per annum, for the most part. there is one who receives $1,300, and one at $550. But they are all small salaries. Of course many of them are not called frequently to treat seamen, but this is given them as a retaining fee. In New Brunswick the salaries range from $150 to $600, and in Prince Edward Island from $100 to $400. In Quebec there

are six, receiving salaries from $300 to $450, and in British Columbia three, receiving $600, $600 and $400 respectively.

Mr. ANDERSON: I am rather surprised at the number of physicians in the employ of the government. What are their duties? They must be mostly in small ports where there is no sea-going trade.

Mr. BELAND: They go on board all vessels that call at the port and any seaman who requires treatment may get it from the port physician. A sick seaman is taken to hospital if necessary, and for that service we pay a flat rate per day. If there is no hospital he is taken to a boarding house or a private residence.

Mr. ANDERSON: That would be in connection with coastal trade, not trans-Atlantic trade, would it not?

Mr. BELAND: Yes, the small vessels are eligible.

Mr. ANDERSON: You have none of that character on the Great Lakes, in the boundary waters there.

Mr. BELAND: No.

Mr. ANDERSON: I did not expect to find there were so many physicians in the small ports in the pay of the government. I was more interested in the pay of those in the larger ports, Halifax, St. John, Quebec and Montreal. I should like to know the physicians who are at these four ports, and what their salaries are.

Mr. BELAND: The seamen in these ports are sent to the hospital, and we have a rate with the hospital which includes medical attendance from the hospital physicians and surgeons in those ports.

Mr. ANDERSON: Has there been a change made in the act recently? The last Auditor General's report shows that the physicians in these various harbours are in the pay of the government, and I presumed they were on annual pay.

Mr. MacLAREN: Those are quarantine officers.

Mr. BELAND: Those are different.

Mr. ROSS (Kingston): I am not objecting to the two hospitals at all. They may be quite necessary. I know nothing about the conditions, but I do know that hospitals now are very expensive. You maintain and equip a marine hospital at Sydney. Is there a necessity for that now that you have general hospitals where these men can be taken care of, without maintaining special hospitals?

[Mr. Béland.]

Mr. BELAND: I understand there were a good many more hospitals than we have now. We have closed one marine hospital in Pictou, and one in Quebec was closed some years ago. We have only two left, and these are maintained, I suppose, on account of the large number of fishermen who go to sea. It is optional for the shipowner to contribute the dues and have their seamen treated at these hospitals.

Mr. ROSS (Kingston): I am not objecting, but the minister knows as well as I do how costly it is to maintain a hospital, and perhaps it is not as well to have two or three different kinds of hospitals in one place as to have one large one. I forgot quite about the necessity for the fishermen. Is that the particular reason for maintaining these two hospitals?

Mr. BELAND: I am informed that would be the reason.

Item agreed to.

Quarantine—salaries and contingencies of organized districts; Public Health in other districts; Tracadie and Bentinck Island Lazarettoes, Leprosy generally and Public Works Health Act, $215,000.

Mr. BELAND: There is a decrease of $25,000 in this item, because we have made some changes, especially at Quebec where we have been able to dispense with the cost of a boat plying between Grosse Isle and Quebec, as well as making some other retrenchments. We have moved all our minor cases to the city of Quebec, instead of treating them at Grosse Isle, where it was more expensive. The shipping companies have been advocating the change also on account of the fact that it does not delay the ships. As a matter of fact, I believe there was not a single major case disembarked at Grosse Isle during last season; so the ships were not delayed at all. The appropriation provides for the maintenance of all quarantine stations, eight in number.

Mr. MacLAREN: Could the minister give us some particulars regarding the lazaretto at Tracadie, more particularly as to the number of patients?

Mr. BELAND: There are now ten patients; we had eleven; one died during the year.

Mr. MacLAREN: Did those cases originate locally?

Mr. BELAND: There was one Chinaman sent there from Montreal; the other cases, I am informed originated in the maritime provinces.

Mr. ANDERSON: Would the minister give us some information with regard to the quarantine facilities in Halifax and Quebec?

What provision is made there for the receipt of the immigrants, and what is done for the comfort of immigrants who are kept in quarantine?

Mr. BELAND: The quarantine station at Quebec is located on an island which is known as Grosse Isle, about twenty-five miles below the city of Quebec. It is an old station and is provided with all the facilities we would require for the treatment of major diseases. As I said, the minor cases are taken off the boat at Quebec and treated in some hospital there, thus saving some money, and saving a good deal of time to the ships. In some seasons the quarantine station at Grosse Isle is quite idle, but it is a necessity; we must have it. One ship may come in with ten major cases, and we may have to take off all the contacts there; we may have at one moment, without any notice at all, five hundred people on the island. We must thank God that does not happen, but if it did happen, and if we did not have the facilities for handling these cases the reputation of the whole country would suffer, and the government, whatever government was in power, would be open to very serious criticism. At Halifax the station is at Lawlor's Island. I have never visited it, but I understand that it is in the immediate vicinity of the port, and the same facilities are afforded there for the treatment of major cases.

Mr. ANDERSON: What are the prevailing infectious diseases brought in from Europe and elsewhere?

Mr. BELAND: The major diseases are cholera, smallpox, typhus and yellow fever. We had not a single case at Grosse Isle during the last season of navigation. At Halifax there was one death at the hospital during the year—a child being held for deportation at the immigration building as a Mongol imbecile, developed chicken pox, was transferred to the quarantine hospital where it died of septicemia. One female passenger was detained for vaccination purposes.

Mr. MacLAREN: What number of infectious cases was treated at the quarantine hospital at St. John during the year?

Mr. BELAND: At St. John the station is located on Partridge island. It is pretty well equipped but I grant the committee that the equipment could be better.

Mr. MacLAREN: I am asking for a statement of the number of infectious cases treated during the past year?

Mr. BELAND: I am asking my official to find that for me in the report. The figure is so small that it did not interest me as something that could be quoted except in a satisfactory manner.

The CHAIRMAN: Shall the item carry?

Mr. ANDERSON: No, Mr. Chairman, this is rather an important item. It is nearly six o'clock and I suggest that the item had better be held over.

Mr. BELAND: Does my hon. friend want the vote for quarantine stations held over?

Mr. ANDERSON: Yes.

Mr. BELAND: There are a few more items to be passed, especially one for immigration medical inspection. I can assure hon. gentlemen that all information will be given on the items.

Mr. ROSS (Kingston): There are two or three questions that arise in connection with the present vote.

Mr. BELAND: I am not objecting at all; my only desire is to advance the work of the session. If my hon. friends wish this vote to be held, all right.

Mr. ROSS (Kingston): It is information I am looking for.

Mr. BELAND: I want to give all possible information.

Progress reported.

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

Thursday, May 28, 1925.

The House met at three o'clock.

REPORT

Sixteenth annual report of the Civil Service Commission of Canada.—Hon. Mr. Copp.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CORRESPONDENCE WITH CIVIL SERVICE COMMISSION

Mr. LOVETT:

What percentage of all letters, applications, requisitions, correspondence, etc., received and sent out by the following departments, Marine and Fisheries, Interior, Public Works, Agriculture, Post Office, National Defence was with the Civil Service Commission?

Hon. Mr. COPP:

Department of Marine and Fisheries:

2.7 per cent for year ended March 31, 1925.

Department of the Interior:

(a) Of the total correspondence received in the department during the first three months of the present year, the percentage received from the Civil Service Commission was .329 per cent. (b) Of the total correspondence sent out by the department during the first three months of the present year, the percentage sent to the Civil Service Commission was .529 per cent.

Department of Public Works:

2.2 per cent of all letters, etc., was with the Civil Service Commission.

Department of Agriculture:

All correspondence with the Civil Service Commission is carried on through the deputy minister's office, and approximately 5 per cent of the correspondence of that office is with the Civil Service Commission. Correspondence with the various branches of the department in connection with appointments or other civil service matters amounts to approximately fifty per cent of the total correspondence of the deputy minister's office.

As to the branches, correspondence on civil service matters will probably be less than five per cent of the whole. It is exceedingly difficult to make an accurate estimate as the correspondence varies greatly at different seasons of the year.

Post Office Department:

One-half of one per cent.

Department of National Defence:

No special record is kept of letters to the Civil Service Commission and it is, therefore, impossible to furnish this information without going through the whole of the correspondence of the Department of National Defence.

No. 3 ELEVATOR—VANCOUVER

Hon. Mr. STEVENS:

1. Having reference to sessional paper 165 of the present session, regarding No. 3 elevator, Vancouver, B.C., under the terms of clause 6, page 42, of the said return: (a) do the rates and charges to be made by the lessee become subject to the control of the Board of Grain Commissioners under the Canada Grain Act; (b) have the owners or shippers of grain using this elevator any right of appeal on a question of charges to the Board of Grain Commissioners?

2. Having reference to clause 12 on page 43, of the said return, 165, is the said bond of $25,000 considered by the government to be sufficient security for good faith on the part of the lessee, in view of the total cost of the property being $824,412 as set forth in answer to question No. 7 on page 2052 of Hansard?

[Mr. Lovett.]

3. Has the government, or the Board of Harbour Commissioners, Vancouver, received at any time any communications prior to the execution of the lease between the Vancouver Harbour Commissioners and the British Oriental Grain and Elevator Company, dated March 1, 1924, protesting that the said bond of $25,000, was inadequate protection of the public interest, in view of the magnitude of the investment of public funds in this elevator?

Hon. Mr. CARDIN:

1. (a) Yes. (b) Yes.

2. The harbour commissioners report that they consider the guarantee of $25,000 ample in the circumstances. The rental is paid in advance.

3. No.

COLONEL G. B. BEGY

Mr. STEWART (Hamilton):

1. Has Colonel G. B. Begy, of Belleville, a contract with the government respecting the purchase of fish?

2. If so, when is the contract dated, for what period does it last and what fish in what areas are covered by such contract?

3. Was such contract secured by tender?

4. If not, what prices were to be paid for such fish, and who fixed the prices?

5. How much has been paid to or on behalf of Colonel Begy on this contract and how much is owing and unpaid at the present time?

Hon. Mr. CARDIN:

1. Yes.

2. (a) October 21st, 1924. (b) For period of whitefish collecting season 1924. (c) That portion of the bay of Quinte westward of a line drawn across the bay from Horse Point on the southern shore to Lehigh Cement Works wharf opposite on the northern shore to the Belleville highway bridge, is hereby set apart and reserved for fishing for hatchery purposes.

3. Yes.

4. As stated above prices were fixed by tender, Mr. Begy submitting the highest as follows:

Whitefish, 6½c. per lb.
Herring, 5c. per lb.
Pickerel, 11½c. per lb.
Coarse Fish, 3c. per lb.

Other tenders received:

Ben F. Davy, Napanee, Ontario.
Whitefish, 5½c. per lb.
Herring, 1c. per lb.
Pickerel, 10c. per lb.
Coarse Fish, 1c. per lb.

The F. T. James Co., Ltd., Toronto, Ont.
Whitefish, 4c. per lb.
Herring. 3c. per lb.
Pickerel, 7c. per lb.
Coarse Fish, 2c. per lb.

5. Amount paid by Mr. Begy, $4,897.68; amount owing, $1,179.12.

GRATUITIES TO SOLDIERS

Hon. Mr. MANION:

1. What was the total amount paid as bonus or gratuities for the solders enlisted for the late war?
2. In what years was the amount paid, and how much each year?

Hon. Mr. MACDONALD (Pictou):

1. $162,310,156.12.
2.

To March 31, 1920..	$156,924,519 44
April 1, 1920, to March 31, 1921	4,607,647 77
April 1, 1921, to March 31, 1922	294,815 91
April 1, 1922, to March 31, 1923	289,360 17
April 1, 1923, to March 31, 1924	115,173 22
April 1, 1924, to March 31, 1925	78,639 61
	$162,310,156 12

CORNWALL CANAL

Sir HENRY DRAYTON:

1. Is the standard rate charged for leases of water power in the Cornwall canal four dollars per electrical horse-power year?
2. If not, what is the rate now charged?

Hon. Mr. GRAHAM:

1. Yes.
2. Answered by No. 1.

QUEBEC HARBOUR COMMISSIONERS

Sir HENRY DRAYTON:

1. What is the total amount of money advanced by the government to the Quebec Harbour Commissioners?
2. How much more money may be advanced by the Governor in Council under existing legislation?
3. What is the amount of the total obligations of the Quebec Harbour Commissioners funded or unfunded?
4. What is the amount of bonds at present issued by the said commission?
5. What amount of such bonds are held (a) by the government; (b) by the public?

Hon. Mr. CARDIN:

1. $12,612,995.
2. $119,138.62.
3.

Debentures—old and new issues..	$13,221,602
Advances without debentures..	541,393
Accrued interest unpaid..	8,077,962
	$21,840,957

4.

Account old loans..	$3,612,802
Account new loans..	8,458,800
Sold to public..	1,150,000
	$13,221,602

5.

(a) By government.. ..	$12,071,602
(b) By public..	1,150,000

QUEBEC BRIDGE

Mr. DOUCET:

1. What was the cost of the Quebec bridge, excluding the cost of the two bridges which foundered?
2. Were the plans of the Quebec bridge, at its inception, approved by order in council as provided by the Navigable Waters Protection Act, c. 115, R.S. 1906 and previous identical acts?
3. Have the plans of the bridge to be erected between Montreal and the south shore been deposited at the Department of Public Works (c. 115, sec. 7, R.S.C. 1906)?
4. In what newspapers of Montreal was the notice of the deposit of said plans at the Department of Public Works, published (c. 115, sec. 7, R.S.C. 1906)?
5. Did the Canada Gazette publish said notice? If so, in what numbers (c. 115, sec. 7)?

Hon. Mr. COPP:

1. $15,821,315.12. Plans of the original Quebec bridge were approved by order in council, P.C. 1172, of May 16, 1898.

2. No, but they were approved by order in council dated May 16, 1898, as result of consideration by the Railway Committee of the Privy Council.

3. No, this bridge was authorized by special act, being Chapter 58, of the statutes of 1924, which requires plans of such bridge shall be submitted to and approved by the Governor in Council before beginning the construction thereof.

4 and 5. No information.

MORTON S. BINET

Mr. DOUCET:

1. Is Morton S. Binet an employee in the service of the Department of Marine and Fisheries, or any other department of the government of Canada?
2. What position or positions does he hold; when was he appointed; what is his salary?
3. How much has he been paid, (a) in salary; (b) in travelling and other expenses, in each fiscal year since his appointment?
4. What are his duties, and in what part of Canada has he been placed for the discharge of such dutes?

Hon. Mr. CARDIN:

1. Yes.
2. Inspector of fish curing and packing (seasonal). Date of appointment, June 21, 1922; salary at rate of $1,260 per annum.
3.

Year.	Salary	Expenses.
1922-23	$ 848 75	$1,254 65
1923-24	1,056 28	1,888 01
1924-25	1,050 00	2,906 77

4. To inspect pickled fish and containers, and to enforce the provisions of the Fish Inspection Act. His district covers Richmond county and south part of Cape Breton county in Nova Scotia.

MILITARY SERVICE ACT, 1917

Mr. TOBIN:

1. Is the Military Service Act, 1917, still in force?
2. If not, when and how did it cease to have effect?

Hon. Mr. LAPOINTE:

1. No.
2. Because it is in terms limited in operation to the provision of reinforcements for the Canadian Expeditionary Force for the duration of the then present war.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH-ST. REMI D'AMHERST

Hon. E. M. MACDONALD (Minister of National Defence) for the Minister of Railways (Mr. Graham) moved that the House go into committee at the next sitting to consider the following proposed resolution:

That it is expedient to amend the act respecting the construction of a Canadian National Railway line from the end of the China Clay branch to St. Remi d'Amherst in the province of Quebec, chapter fourteen of the statutes of 1924, and to provide that the compensation to be paid by the company in respect of the acquisition of an unencumbered title to the right of way and all prior construction thereon of the River Rouge Railway Company or the Rouge River Railway Company between China Clay and St. Remi d'Amherst, be determined by the Exchequer Court of Canada and shall be based on the value to the company of such right of way and prior construction, but shall not in any case exceed fourteen thousand dollars.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

AGREEMENT WITH CITY OF OTTAWA

Hon. J. H. KING (Kootenay, Minister of Public Works) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, That it is expedient to provide that the minister may on behalf of His Majesty the King enter into an agreement with the corporation of the city of Ottawa extending for a period of five years from the first day of July, 1925, the provisions of the agreement between His Majesty and the corporation dated the thirtieth day of March, 1920, set out in the schedule to chapter fifteen of the statutes of 1920, which last mentioned agreement was extended for a period of one year from the first day of July, 1924, under the authority of chapter fifty-nine of the statutes of 1924.

Provided nevertheless that the minister may agree on behalf of His Majesty to pay to the corporation annually the sum of one hundred thousand dollars during the said period of five years from the first day of July, 1925, instead of the annual sum of seventy-five thousand dollars as provided for in the said agreement.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

[Mr. Cardin.]

Motion agreed to.

GOVERNMENT OFFICES IN TORONTO

On the Orders of the Day:

Mr. T. L. CHURCH (North Toronto): I desire to direct the attention of the Minister of Public Works (Mr. King, Kootenay) to the following statement which appears on the front page of the Toronto Globe of Wednesday, May 27, 1925:

Government to Occupy Ten Stories

The Dominion government has decided upon the centralization of its various Toronto offices in the new "Canadian National Building," to be erected at the northwest corner of King and Yonge streets.

Including the Canadian National Railways space, the Dominion government will take a lease of at least ten stories in the new building. The lower three will be used as railway offices, and the seven immediately above will be occupied by the Customs and Income Tax staff, Public Works, Labor department and Department of Agriculture officials.

The housing of these officials in the new skyscraper will have nothing to do with the ultimate erection of a customs house in Toronto when, in the opinion of the government, the time is opportune for that course of action.

Has such a policy been decided upon by the government with regard to the co-ordination of federal offices in the city of Toronto?

Hon. J. H. KING (Kootenay, Minister of Public Works): I could not hear what the hon. member was saying but I gathered that he was quoting from the Toronto Globe. I shall be glad to look into the matter and reply later.

THE DAIRY INDUSTRY ACT, 1914, AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee to consider Bill No. 109 to amend The Dairy Industry Act, 1914.

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

The CHAIRMAN: I may say that the agricultural committee substituted "which" for "with" in subsection 2, paragraph (p) of section 1, so that the latter part of the paragraph will now read:

—or is contained in a package which contravenes the same;

On section 1, subsection 1, paragraph (k)—"Renovated butter."

Mr. CRERAR: What is the significance of this change?

Mr. MOTHERWELL: Two "or's" have been inserted in this paragraph, so that now any of these processes constitutes renovated butter.

Mr. MEIGHEN: Is the minister quite sure it is going to have the effect he intends? Would not the word "rechurned" there apply only to refined? Should not the minister put in the words "in any case"? Otherwise it would define renovated butter as melted butter, which would apply to all kinds of butter in the summertime.

Mr. MOTHERWELL: I do not know how a legal mind would interpret that, but it is the way the draftsman put it. To clarify and to refine are practically the same process. The definition of "renovated butter" is made to include butter which has been melted and rechurned without clarifying. Many of these processes mean melting down.

Mr. BROWN: Is the rechurning an essential part of the process in any case?

Mr. MOTHERWELL: Yes. I think my hon. friend knows that himself.

Mr. BROWN: No.

Mr. MOTHERWELL: Rechurning, by incorporating the old material with the new, used to be practised more in years gone by than it is to-day.

Mr. KNOX: What is meant by clarifying?

Mr. MOTHERWELL: Clarifying and refining are looked upon as practically the same process. It simply means skimming the residue off the top as you do when making maple syrup.

Mr. CALDWELL: That, I imagine, would be like the froth on "4.4."

Mr. MOTHERWELL: I have no experience, myself, of that.

Mr. BROWN: But the clarifying or refining in itself would not constitute renovated butter?

Mr. MOTHERWELL: No, it is the rechurning with those other processes which constitutes renovated butter.

Mr. BROWN: Then it is very doubtful if this language expresses what is intended.

Mr. MOTHERWELL: If there is any doubt about it we will let the paragraph stand.

Mr. MEIGHEN: The minister can cure it in a second by putting in the words "in any case" after "and."

Mr. MOTHERWELL: Then I move to amend the paragraph by inserting between the words "and" and "rechurned" the words "in any case." The paragraph will now read:

(k) "renovated butter" or "process butter" means any butter which has been melted or clarified or refined and in any case rechurned.

Amendment agreed to.

Paragraph as amended agreed to.

On section 1, subsection 2, paragraph (o)—Dominion analyst.

Mr. MEIGHEN: Was this defined before?

Mr. MOTHERWELL: I think I explained that on the resolution. We have a number of Dominion analysts under salary, and others who are appointed by order in council without salary, but their appointment is an assurance to the public that we recognize them as competent men to whom samples may be sent for correct analysis.

Mr. CHURCH: It seems to me that this legislation gives the Dominion officials very wide jurisdiction, and its exercise may enhance the price of dairy products, which, goodness knows, are already very high. This being a subject of concurrent jurisdiction between the Dominion and the provinces, has the minister consulted the Justice department as to whether this legislation is ultra vires of parliament? Do not the provincial governments maintain officials to do this work? And who has been complaining and requesting this legislation?

The CHAIRMAN: The hon. gentleman's questions scarcely come under this section.

Mr. MOTHERWELL: This is a general law for the Dominion and is applicable largely to dairy products intended for export, so it is entirely a federal matter.

Mr. MEIGHEN: Does the minister mean to include under this paragraph a seed analyst?

Mr. MOTHERWELL: Oh, no.

Mr. MEIGHEN: The paragraph reads:

"Dominion analyst" means any analyst appointed by the government of Canada and having authority to make analyses for any public purpose.

I presume that would include an analyst of iron ore, of silver ore, or of anything.

Mr. MOTHERWELL: The inference, I imagine, is that this is an interpretation of "Dominion analyst" as applied to this act. This is an interpretation for the act we are considering, not for any other act.

Mr. MEIGHEN: I know that.

Mr. MOTHERWELL: If we attempted to express specifically everything that is plainly implied, we should have a rather cumbersome act. This cannot be the interpretation clause for any other act than the present one.

Mr. MEIGHEN: I suggest that the minister add the words at the close of his definition, "having authority to make an analysis for any public purpose under this act." We should not legislate by inference. The minister will be coming back next session and patching the law up again.

Mr. MOTHERWELL: Do not let my right hon. friend be exercised about that. In the first instance these laws were enacted years ago, and I am only trying to iron out kinks that were left in them by my right hon. friend's government. The old act says:

In this act, unless the context, otherwise requires,—"butter" means the food product commonly known as butter.

And "creamery" means so-and-so; "dairy" means so-and-so.

Mr. CRERAR: What does "analyst" mean?

Mr. MEIGHEN: It is not defined.

Mr. MOTHERWELL: It was not defined in the old act, and that is why it is underlined here. In any consolidation of this act the whole thing would run concurrently under these various subheads down to "Dominion analyst" in the amendment, and the words "in this act" would apply to them all. I am not a legal authority, but surely that would be the case.

Mr. MEIGHEN: It certainly applies to all; nobody suggested that it did not. I have no doubt the minster is a good farmer, but I would not recommend him to the study of law at his age.

Mr. MOTHERWELL: I have no intention of doing so. I would say the same for my right hon. friend and suggest that he hesitate just as much about trying to study agriculture at his age.

Mr. MEIGHEN: I will try to point my meaning out to the minister; it is not very material to me whether he accepts it or not. The amendment to the last was not factious in its character, and this is not either. The way the act will read, including this definition, is as follows:

In this act, unless the context otherwise requires,—"Dominion analyst" means any analyst appointed by the government of Canada and having authority to make analyses for any public purpose.

[Mr. Motherwell.]

I do not think it is the minister's intention that "Dominion analyst" shall mean anything of the kind in this act. Where "Dominion analyst" appears throughout the various clauses of the act he would not want it to mean a Dominion analyst of seeds, but it would mean that by his definition. I made a very simple suggestion which would cure everything in a minute; it is merely a little negligence in drafting. It could read "for any public purpose under this act." I do not think the word "public" is necessary, but it does not do any harm.

Mr. MOTHERWELL: We will let this paragraph stand until we draft that and make sure it does not apply to some other act.

Mr. MEIGHEN: All right.

The CHAIRMAN: Paragraph (o) stands. Paragraph (p), "illegal dairy product" has been amended by the committee on Agriculture by substituting the word "which " for the word "with" on line 23—a clerical error.

Paragraph (p) agreed to.

On paragraph (q)—"Oleomargarine"

Mr. MOTHERWELL: There was no definition before.

Mr. MEIGHEN: I do not object to the drafting at all, but this is a pretty wide definition of oleomargarine. It may be safe to do it, I do not know; more practical people would be better judges of that than I am. It says:

All food substances other than butter, of whatever origin, source and composition which have the appearance of and are prepared for the same use as butter.

I do not know what that might include; it is pretty wide.

Mr. MOTHERWELL: It is meant to be wide. My right hon. friend is quite right. In entering prosecutions we have to prove everything right up to the hilt before we can get a conviction, because sympathies go to the individual when the government is prosecuting; so that everything has to be made plain. We have all sorts of concoctions with oleo oils and cocoanut oils and we have all proportions of butter included therein. While the usual understanding is that oleomargarine contains only a small amount of butter, sometimes we have compounds called "manna" which contain fifty per cent of butter. We have to make the provision wide and comprehensive to cover all the various compounds that are imitations of butter. Then, the oleo oil portion of the beef fat is a constituent part in oleomargarine, and when mixed with

milk fats this oleo oil resembles oleomargarine.

Mr. LADNER: Unless there is some other qualifying clause, this is wide enough to include lard.

Mr. MOTHERWELL: No, because oleo oils do not come from the hog, while lard is usually from the hog.

Mr. HANSON: I submit that it is wide enough to include lard, and I think the minister ought to reconsider this definition.

Mr. MEIGHEN: It is a question whether lard is ever used for the same purposes as butter. It may be; I do not know.

Mr. HOEY: Would this not apply to cream cheese?

Mr. MOTHERWELL: Lard is entirely a cooking compound. There is no fear of its being sold as butter.

Mr. LADNER: Both lard and butter are used for many cooking purposes. The minister's antipathy to oleomargarine has led him to an extreme of description that will bring trouble to the department and to the country.

Mr. MOTHERWELL: I have no antipathy to it. I thought we were better without it; that is all. You cannot have this working both ways:

And are prepared for the same use as butter.

If butter is sometimes used as lard, I do not know of any such use. I can recall when lard was used as butter as a spread on bread.

Mr. FORKE: Did the minister ever hear the word "kitchen" used

Mr. MOTHERWELL: Yes—a very long time ago.

Mr. FORKE: Would that not apply? It is an old-fashioned word, I know.

Mr. MOTHERWELL: It is a colloquial term. I do not think it is put on the market.

Mr. FORKE: I think the minister is too careful altogether. He is so determined that butter will be put on a high shelf by itself that he does not dare to let anything come within approaching distance of it. He uses the word "oleomargarine" to include margarine that never saw oleo of any kind.

Mr. MOTHERWELL: If my hon. friend knew what we have to compete against in the British market with other countries much more adapted to dairying than we are, he would realize that we must have sufficient restrictions to be able to prosecute and secure convictions. We are asking for nothing that we have not found to be quite necessary in carrying out any prosecutions we undertake. We have to be able to prove our case right to the hilt, or the decision goes against the government. I can assure my hon. friend that this is not being done with any pernickety desire at all. Further, I know, and I am sure the hon. member for Victoria City (Mr. Tolmie) and the hon. member for Marquette (Mr. Crerar) know, and as times goes on we shall all get to know intimately, that we are to-day, far more than ever we were before, under the necessity of successfully competing in the markets of the world with countries in the Antipodes, such as New Zealand and Australia. A necessary feature of that is to see that law-breakers are presecuted and that they do not do anything which will prejudice our goods in another market. All I want to do is in a general way to improve the quality of farm produce, and in every possible way to encourage the idea of paying on the basis of quality. That is our policy all along the line as regards dairy products or anything else. That is absolutely imposed upon us by the markets of the world to-day, and I am referring particularly to the main market, the British market. These products come from all parts of the world, and one phase of the procedure is to be able to control the situation at home in order that our goods may arrive abroad in proper condition. I would be sorry to impose any restriction which we could do without. I have no antipathy to oleomargarine. We discussed it very fully; it is not an issue just now, but we did not have a definition before, and now we have to give it a definition.

Mr. BROWN: Of course the last part of the minister's remarks do not apply. They are an argument against oleomargarine. The question before us is to get a definition of oleomargarine that will be adequate and yet not too exclusive. I imagine this definition would include such a substance as peanut butter that is put on the market under its own name, and properly used.

Mr. MOTHERWELL: It would not include peanut butter.

Mr. BROWN: Beyond all doubt, peanut butter would come within the scope of this definition. It is a food substance and it certainly has some origin. The definition says

"of whatever origin." Peanut butter is a composition; it has the appearance of and is prepared for the same use as butter.

Mr. MOTHERWELL: I presume my hon. friend has seen peanut butter?

Mr. BROWN: Yes.

Mr. MOTHERWELL: It does not resemble butter made from milk fat. It is quite dark.

Mr. BROWN: It depends upon what degree of resemblance is asked for.

Mr. MOTHERWELL: The commodity must be capable of being mistaken for butter. You can get peanut butter in any retail store where it is handled, put up in little glass containers. It is quite dark. In fact, it is more nearly black than the colour of butter.

Mr. BROWN: I understand that oleomargarine in itself is a very indefinite term. Would it not be possible to frame a definition that would more adequately describe it and yet not be too inclusive?

Mr. MOTHERWELL: My staff went over this very carefully. After that we asked some of the officers, including the president of the Dairy Council of Canada, Mr. Stonehouse, of Toronto, and his secretary to come here; and they and my officials went over every clause of this carefully, including the interpretation. They all O.K.'d this definition. That, of course, is not necessarily conclusive evidence, this parliament is the last supervising body; but it is also significant that this definition ran the gauntlet of the Agricultural committee without any change. That still is not conclusive evidence, and I recognize that this sifting committee is the final process. But there is no resemblance between peanut butter and butter made from milk fat.

Mr. HOCKEN: Does the definition cover apple butter?

Mr. MOTHERWELL: No. That is made from apples.

Mr. WARNER: Some hon. members are afraid that this will discriminate against lard by including it. I do not think it is possible to put up lard in containers to resemble butter in a way to cause confusion or difficulty under this section.

Mr. LADNER: The point in regard to the definition is simply this. How is a court going to interpret it? Some question may arise in the administration of the act as regards prohibition of some commodity where the question of lard will come under consideration. I will ask the minister to apply his mind for just a minute to these definitions.

Oleomargarine means all food substances—

Let us hold lard in mind.

—other than butter, of whatever origin, source and composition which have the appearance of—

Lard undoubtedly has the appearance of butter; "winter butter," we call it.

—and are prepared for the same use as butter.

The definition does not say that it is to be used for the same purpose as butter. The definition is peculiar. It says:

—and are prepared for the same use.

I do not know just what that means; in fact I do not think it means very much. Lard is used in making cakes and so is butter; lard or butter is used for shortening; lard is used for almost as many things in the kitchen, apart from the table, as butter is used for. There can be no argument or question about that. I would suggest that the minister take subclause (2) into reconsideration and submit it to the legal department so as to get a definition which will be precise, and as regards which there will be no necessity to go to the courts to find out what parliament meant. It is quite easy to find a definition of oleomargarine which will not include other things it is not intended to include.

Mr. MOTHERWELL: Lard has not the appearance of butter. I do not know whether the hon. gentleman knows what lard is, and it would not be to his discredit if he did not know where lard came from, or never saw it.

Mr. LADNER: The minister always poses as a superman on all questions in connection with agriculture.

Mr. MOTHERWELL: No. I was saying it would not be to the hon. member's discredit if he did not know where lard came from, or never saw it. Lard has not the appearance of butter. It is not made for that purpose. Is it any wonder that we have to have an iron-plated law in order to get past lawyers on the other side—not on the other side of the House, but on the other side of the case—when we are prosecuting? You have them there in all forms and all qualities, arrayed three or four deep, discussing the composition of lard. How are we going to get a conviction under such circumstances. I appeal to the representatives of the agricultural class to say, in such a case as that, if there should not be the widest possible kind of definition for these laws if I am going to get past this array of talent we shall surely be up against, and get a conviction. My hon

friend has supplied the best argument I could get for this definition.

Mr. LADNER: The trouble with the minister is that he endeavours to answer arguments of merit by casting some reflection upon the limitations of knowledge of certain hon. members on the subject of agriculture while he considers himself to be a walking encyclopaedia.

Mr. MOTHERWELL: Not at all.

Mr. LADNER: The difficulty is this: When the minister is not satisfied with the points or the merits of the contentions submitted by hon. members, instead of meeting merit with merit he engages in mental gymnastics of a humorous kind which attract the attention of members to something else. I am not joking about this matter. I have had a legal training, and I am sure I shall be supported by every hon. member similarly qualified, in the statement that the definition here is confusing and partakes of the very essence of mental gymnastics itself. It possesses every element for causing confusion and consequently there will be great difficulty in administering the act. If the minister will submit that definition to the legal department, instead of forcing it through here, he will find there is more merit in what I say than he admits now when he resorts to ridicule.

Mr. MOTHERWELL: My hon. friend says the definition is confusing. Perhaps it is, to him. There are a great many discussions on legal questions in this House that are confusing to the farmers including myself. If a man is not thoroughly informed on agricultural subjects there must inevitably be times when points arise that are confusing to him.

Mr. MEIGHEN: The minister will be astonished to learn that in the main I agree with his purpose in this section.

Mr. MOTHERWELL: Oh no, I think all sensible people will agree with it.

Mr. MEIGHEN: These things are not hard to cure if the minister will be a little more charitable toward other people. I want to help the minister in every way that I can to get a definition that will be as wide as possible. I think it should be as wide as possible. But experience may have taught him that the reason he loses these law suits is because he has sloppy law; his statutes are not properly framed.

Mr. MOTHERWELL: These are old statutes.

Mr. MEIGHEN: I suggest to the minister that he could cure one trouble by pluralizing the word "use" at the end of the paragraph. Then, I do not think he could possibly run into any difficulty. There is only one other suggestion that I make as to this definition. It is that a definition should never start the way this one does. It reads:

"Oleomargarine" means all food substances other than butter—

And so on. Oleomargarine cannot mean "all"; it means any one of them. I am not finding fault with the minister, it is his draftsman. He cannot have a good one; I do not know who he is. Take his definition in the preceding paragraph, it reads properly:

"Illegal dairy product" means any dairy product which does not conform—

And so on. That is right. The present paragraph goes on to define oleomargarine as meaning "all" food substances which have the appearance of and are prepared for the same use as butter. It cannot mean all of them. It should read:

Oleomargarine means any food substance other than butter, of whatever origin, source and composition which has the appearance of and is prepared for the same uses as butter."

Mr. MOTHERWELL: I will accept that amendment because I believe it will answer the purpose better.

Mr. STANSELL: I am quite in sympathy with what the minister desires to accomplish. I also agree with what he says about the necessity of safeguarding the purity of Canadian products in the markets of the world so that we can get our fair share of the available trade. At the same time, I am sure that this wording is not sufficiently clear to bring about what the minister desires to accomplish. If the wording had been perfectly clear, and if there were no danger of confusion or any difficulty arising in connection with the matter, it would have been perfectly plain to us. But the very fact that there is misunderstanding and confusion tells me that if the act is passed in this shape confusion will arise when the law is being enforced. I would earnestly recommend the minister to let this clause stand, and see if it cannot be redrafted and placed in a more acceptable form than it is at present.

Mr. MOTHERWELL: It is one of the delights of my life to agree with the right hon. leader of the opposition (Mr. Meighen); he and I seem to be the only ones that are agreed on this matter. If he will move that the word "uses" be employed instead of "use"

I will second the motion. That will evidence a fraternal spirit that we do not always see here.

Mr. BROWN: Is that the only change?

Mr. MEIGHEN: I would suggest that the word "all" be changed to "any;" that the word "have" be changed to "has;" and the word "use" be changed to "uses."

The CHAIRMAN: Then the paragraph will read as follows:

"Oleomargarine" means any food substances—

Mr. MEIGHEN: Make "substances" singular.

The CHAIRMAN:

—any food substance other than butter, of whatever origin, source and composition which has the appearance of and is prepared for the same uses as butter.

Mr. MEIGHEN: That is all right.

Mr. CARROLL: What would my right hon. friend think of substituting the word "or" for the word "and" between "sources and composition?"

Mr. MOTHERWELL: I think the wording is all right as agreed upon. If we adopt further changes the paragraph will be so mauled that nobody will know what it means.

Mr. CHURCH: There has been considerable complaint by the health department of the city from which I come in regard to this particular matter, and the many changes which the minister has made in the act since he has been at the head of this department. The city of Toronto maintains officials, as does the Department of Agriculture, in order to see that the law as to the purity of butter, milk, and other food products brought into its precincts is observed. No less a sum than $2,000,000 is spent in administering the health regulations and seeing that these are properly carried out. The minister poses as a free trader and so do his colleagues, yet they are found supporting amendments to the law which are nothing less than paternalistic legislation of the worst kind. In fact I might go further and say to my hon. friends to my left who are free traders that this legislation constitutes the worst form of protection I have ever witnessed. We are proposing here to say that something is oleomargarine when it is not oleomargarine. The minister said the next war would be between man and the insect. To-day with the many acts the minister brings in, no one can tell where we are between the province and the federal field. I fail to see the value of this paternalistic legislation. Considerable complaint has been made. Nobody knows the law. There are many regulations in regard to the industry to-day which are virtually in restraint of trade, and which have the effect of enhancing prices. The people of Canada are divided fifty-fifty in regard to the need and advisability of anti-oleomargarine legislation. The minister is becoming a tonic specialist for Canada. There are many other matters besides milk and butter which the minister might take in hand—"4.4" and other bad liquors for instance, and he might secure better beverages all along the line for the public. I say there is too much legislation in regard to agriculture such as the Dairy Act and other red tape acts all through the minister's department. Seven or eight agricultural bills have been brought down this session and every one of these related to requests with regard to the various commodities which are sold and on which the provinces have concurrent legislation. The minister and hon. members to my left here although free traders, are now championing protection in its worse form. Certainly, with such drastic amendments the act should have been consolidated and all these drastic changes, which affect every man, woman and child in this country, should have been brought down in the form of one measure after an examination of the whole subject and a conference with the representatives of the different provinces. The medical health officer in Toronto spends a lot of money on milk and butter regulation. No one ever died from eating oleomargarine but people have died from drinking bad liquids.

Mr. CARROLL: I do not want the Minister of Agriculture to think that all the genius for moving amendments rests with the hon. leader of the opposition. Another amendment should be made to this bill to make the meaning clearer, and that is the substitution of the word "or" for "and" between the words "source" and "composition."

Mr. MOTHERWELL: This is getting better and better.

Mr. MEIGHEN: The word should be "or." Amendment agreed to.

Mr. MOTHERWELL: Any more amendments?

Mr. McQUARRIE: It seems to me that the easy manner in which the minister accepts amendments to his bill shows that it has not been properly drawn. Probably he drew it himself.

Mr. MOTHERWELL: No, I did not draw it.

Mr. McQUARRIE: He may be like the Premier of British Columbia, who at one time acted as attorney general, although he never had any legal training whatever. It seems to me that whoever drew the bill had better look over it again and see whether it cannot be properly drawn. It is a very dangerous procedure to have bills chopped up in this manner in committee, not having received proper consideration by the legal officers of the crown. The present method of drafting bills leads to the mischief which the minister has been speaking about. They say that we have too many lawyers in the House.

An hon. MEMBER: Hear, hear.

Mr. McQUARRIE: Well, if the House were composed exclusively of lawyers we would have much less trouble with the legislation than at the present time—

Mr. MOTHERWELL: I have no trouble whatever.

Mr. McQUARRIE: It would be better than having the House composed of members who do not know anything about the law, some of whom do not possess very much commonsense.

An hon. MEMBER: Order, order.

Mr. McQUARRIE: With all due deference and respect to the minister, I would suggest that this particular section should be referred back to the legal department, if he has one.

Mr. MOTHERWELL: No.

Mr. McQUARRIE: Or to the legal department for the preparation of the bill.

Mr. MOTHERWELL: All these bills go through the general department here, whatever it is called. We draft the bill in my department and then it goes through the regular process. It has gone through one sifting by lawyers already. It is like putting the grain through a sieve the second time. I do not pretend to be a lawyer and have no desire to be one. I am only professing to handle this from the departmental end, and, as to how it goes through, I am at the mercy of the lawyers. It was drawn by officers of my department and we do not make any apology if all the i's are not dotted and all the t's are not crossed.

Mr. NEILL: I should like to draw the attention of the committee to the fact that this bill contains eleven sections, each one having a considerable number of subsections. We have been dealing all this afternoon with one section, and during that time we have accepted three amendments offered by the leader of the opposition and an hon. gentleman opposite; we have set aside another section to be reconsidered and are now being asked by my hon. friend from New Westminster (Mr. McQuarrie) to defer another section for reconsideration.

Mr. McQUARRIE: No, the same one.

Mr. NEILL: Yes, the same one for another reason. I would suggest, not merely that these suggestions be referred back for reconsideration, but that the whole bill be referred back and have it drawn up properly. I draw the attention of the committee to the fact that a few days ago we had two agricultural bills before us. On the first measure the ex-Minister of Finance and myself spent an hour trying to put a certain point over to the Minister of Agriculture and totally failed, because he ended up by cheerfully expressing the view that we did not know what we were talking about. We despaired of any further effort, and the bill went through, but I think time will show that we did know what we were talking about. The next bill consisted of three sections and it was reported without the committee passing any of the sections, with the intention of having the measure redrafted. Here we are starting to deal with another measure, and there are several similar bills on the order paper. I suggest that we should consider establishing a close season for agricultural legislation for a little while. A lot of the sections are trivial amendments of something passed a year or two ago, and which we will be asked to amend again a couple of years from now. I think this legislation has not been properly considered before being placed before us, and I think it would facilitate the business of the House—because we are not here to delay the business of the House, and that has not been the attitude of hon. gentlemen—to bring the legislation before the House in a proper legal form, and there will be much less trouble in putting it through.

Mr. MOTHERWELL: My hon. friend is just following up the line of his remarks on the Dairy bill the other day. I did not look up the original bill. It looked to be very simple, but when I did look it up I found, to my surprise, that the government which preceded the present administration, or possibly the government in power previous to that administration—certainly not this government—was responsible for the provisions of the bill. I refer to the Meat and Canned Food Act. The reason that we did not get

along with this measure was this. When we came to look it up we found that two departments, the Marine department and the Agriculture department, were administering the one act. I was asked by the hon. gentleman from Vancouver South (Mr. Ladner) if this measure included fish. My officers always told me we had nothing to do with fish, and naturally I assumed that we had nothing to do with it. I may say it was done by some former government; it may have been the Liberal government or the Conservative government, but that is not the point. I have never had any experience of two departments administering an act, which would show to my hon. friend from Vancouver South, if he wanted further evidence, that I do not pretend to know it all and that I never expect to know it all; as long as I am alive I expect to be a pupil in that respect. So that if there is difficulty in regard to an act which is administered by two ministers, that is not so overwhelmingly serious after all. If I refused all amendments that were submitted hon. members would say that I was trying to put legislation through arbitrarily. I have never refused any amendment which I thought would improve legislation I was attempting to put through, and the amendments that have been offered by the official opposition as well as by my hon. friend (Mr. Carroll) have all been in the direction of improvement. The bill was originally drafted by the members of my staff and it passed through the usual channel to ensure its being in the proper form. Surely it would not be wise for me to reject all amendments offered. But hon. gentlemen must not magnify any defects that appear in the bill and tell any long cock-and-bull story about having to send it somewhere or other outside of the House for rejuvenation—or rechurning shall I say? —or renovating, or whatever may be the terms that have been applied to the present legislation. Let us deal with the matter soberly and sensibly. I am willing to share in all the fun that is going, because this House does become solemn and dull occasionally; but we must not carry this sort of thing too far, we must try to go ahead with the business of the House.

Mr. STANSELL: I am not a lawyer and I do not even know that I could qualify in the second grade, that of common sense, as suggested by an hon. member to my left. So far as I can see, however, the amendments that have been offered would all tend to improve the bill and certainly they would make it clearer to me.

[Mr. Motherwell.]

Mr. STEWART (Leeds): Even with all these amendments, is it not possible that the interpretation is wide enough to include certain forms of cheese? There are some brands of cheese made to-day that are spread like butter, and the bill should make it quite clear that these are not to be regarded as any form of butter.

Mr. MOTHERWELL: Butter is spoken of as a spread, but you cannot spread cheese.

Mr. STEWART (Leeds): You can spread cream cheese.

Mr. MOTHERWELL: I know that my hon. friend has had on the order paper a question dealing with this very matter, and I think the time is coming when we shall require some form of legislation in this regard. But hon. gentlemen can see what trouble I have in passing even such legislation as concerns the dairy products as they come directly from the cow; and if I were to bring down a bill dealing with kraft cheese it will be seen what difficulty I should encounter. But such legislation will undoubtedly be necessary some day; there should be some regulation covering the export of cheese such as my hon. friend has in mind. So far the hon. member is the only one who has agitated for it, but I have a record of the matter not only on paper but in the back of my head, and some day the question will have to be considered. A large portion of the exports from Canada consists of this artificial cheese, but I do not think that in the meantime there is any danger of its being mistaken for butter.

Mr. McQUARRIE: I do not think the minister would know kraft cheese if he saw it walking around the streets. He talks about its being spread, but that cannot be done very well. There are other kinds of cheese such as MacLaren's cheese that comes in little jars, that can be spread, as well as Quebec cream cheese and other varieties.

Paragraph agreed to.

Paragraph (r) subsection (2), section 1 agreed to.

Section 1 agreed to.

On section 2, subsection (1)—Process butter, etc.—agreed to.

On subsection (2)—Adulterants not to be kept on certain premises.

Mr. HANSON: This provision goes rather far. To say that because adulterants are found on the premises this shall be conclusive evidence of an intent to use them in the

manufacture of the article in question is drastic legislation.

Mr. MOTHERWELL: We consider it necessary. When you find these ingredients about a creamery they can be there for no other purpose.

Mr. CARROLL: I do not think that the paragraph as worded is very wise. If liquor is found in any shop or place of business in prohibition provinces it is prima facie evidence that such liquor is kept for sale. But in this case, a man might have certain adulterants on the premises for an entirely different purpose and he might be able to prove conclusively that they were not intended for use in the making of butter. Under this provision he would not be allowed to give any evidence in his defence; the words "conclusive evidence" would preclude him from attempting to prove for what purpose he kept these ingredients. I think the intention of the minister and the interests of the industry would both be better served if, instead of the words "conclusive evidence," the words "prima facie proof" were used. That would enable the accused to give evidence on his own behalf.

Mr. MOTHERWELL: That would be satisfactory. Personally I never intended that the mere finding of such ingredients on the premises should convict anyone. If the hon. member for Comox-Alberni (Mr. Neill) will raise no objection I will accept the amendment. I move that the words "conclusive evidence" in lines 19 and 20 be struck out and that they be replaced by the words "prima facie proof."

Mr. NEILL: Mr. Chairman, would the minister kindly explain in English and briefly, what "prima facie" means?

Mr. MOTHERWELL: That again is where my education is lacking.

Amendment agreed to.

Section as amended agreed to.

On section 3—Butter, character of and weight.

Mr. MEIGHEN: What is the purpose of this section? It is pretty hard to read it while we are waiting a minute.

Mr. MOTHERWELL: There is very little change here; mainly it is a renumbering. I quite agree with the right hon. gentleman's suggestion that this should have been consolidated, but we had reasons for amending the act, which reasons I do not need to enter into now. The changes are indicated on the right hand page. What is added is underlined.

Mr. MEIGHEN: I will ask the minister to have his deputy refer to to-day's Hansard before he brings in this bill again, for I think he should insert in section 2 after the word "act" the same words exactly as he has after the word "act" here in section 3, that is, "as amended by section 4 of chapter 43 of the statutes of 1923." This must be more than a mere re-arrangement, and it is an important section.

Mr. MOTHERWELL: It is a re-arranging and amending as shown on the opposite page. I admit that where an act is amended two or three times it is very confusing to follow the numbering of the sections; that is why a consolidation is better.

Mr. BOYS: Are we to understand that the only change produced by this section is the leaving out of the words "of butter to which milk or cream has been added," which appear in paragraph (b) of subsection 1? If that is the effect, why in the world we want all this I cannot see. I thought the minister was seeking simplicity. Here is a good opportunity to get it.

Mr. MOTHERWELL: It was thought not to be necessary.

Mr. BOYS: Mr. Chairman, I am putting a definite and, as far as I know, an intelligent question to the minister: Are we to understand that the only thing done by this proposed amendment is to eliminate the words "or butter to which milk or cream has been added," which appear in paragraph (b)? If so, why in the world does not the minister have a section striking them out and have done with it?

Mr. MOTHERWELL: The drafting is modelled this way by the law clerk.

Mr. BOYS: What has that got to do with what I am asking?

Mr. MOTHERWELL: I understood you were asking me a question with reference to subsection 1 of section 3.

Mr. BOYS: I am not finding fault with the work of anyone. If I rightly understand what the minister has told the committee, it is that the words appearing on the right hand page, which I have quoted twice already—and which perhaps I had better quote a third time, "or butter to which milk or cream has been added"—are struck out. I again say, if

that is the only purpose of this amendment, why do we need more than a section simply striking those words out? May I try to assist the minister in understanding what I have been endeavouring to make plain? In the first place, I want to heartily commend those in charge of the amendments for making them plain to the House in two ways: In the sections which are being amended we have the new words generally indicated by a heavy line drawn underneath, and to show us what the former section was we have it on the opposite page in different type. Now, looking through section 3, I do not find anything underlined, indicating that there are no new words there.

Mr. MOTHERWELL: Yes.

Mr. BOYS: I turn to the right-hand page to see what words are left out, and we find the words I have quoted three times, and nothing else. If that is so, I would suggest to the minister that instead of having this cumbersome and utterly unnecessary method of amending the act, he should simply strike the words out of the section.

Mr. MOTHERWELL: If I understand my hon. friend aright, I think he wants to know why the words "or butter to which milk or cream has been added" are dropped out?

Mr. BOYS: The minister has not even yet got what I want. I do not know whether it is due to the stupidity of a lawyer or the stupidity of a minister.

Mr. MOTHERWELL: We will take it both ways.

Mr. BOYS: I would be inclined to think that the minister is entitled to at least fifty per cent.

Mr. MOTHERWELL: I will take my share of it.

Mr. BOYS: Is the only purpose of this amendment to strike out "or butter to which milk or cream has been added?" If so, instead of these twenty lines, why don't we simply say that section 6 of this act is amended by striking out the words, "or butter to which milk or cream has been added," which appear in a certain numbered line?

Mr. MOTHERWELL: I am going to make a brave struggle to meet my hon. friend. I am sure he can see that I am in good humour, anyhow.

Mr. BOYS: I always give him credit for that.

[Mr. Boys.]

Mr. MOTHERWELL: What are we going to rechurn in if it is not milk or cream?

Mr. BOYS: My goodness! I will only give the minister ten per cent now.

Mr. MOTHERWELL: It is not necessary; each of us is stupid this time.

Mr. CALDWELL: Mr. Chairman, I think I can see the reason for the section being drafted in its present form. For instance, if we simply struck out the words "or butter to which milk or cream has been added," We would not find them in the statute of 1925, and we would have to turn back to the statute of 1923 to find what is meant.

Mr. MEIGHEN: You have to now.

Mr. CALDWELL: In this case we have the whole of the section as passed in 1923 with the 1925 amendment striking out these words.

Mr. MOTHERWELL: I thought my hon. friend knew that much.

Mr. BOYS: I did not.

Mr. CALDWELL: I am not a lawyer, but having sometimes looked back over the statutes of four or five different years to get at the meaning of an amendment that had been introduced in the House I would like to see all the amendments made in this way. Have the whole act reprinted, consolidating the act and amendments, and then we will not have to employ a lawyer to tell us what the amendments mean.

Mr. MOTHERWELL: My hon. friend is quite right. The law clerk insists that when an amendment is made the whole section shall be repeated, although we do not ask that that be done. It is the usual practice.

Sections 3 and 4 agreed to.

On section 5—Paragraph (b) of section 8 repealed.

Mr. MOTHERWELL: This practice is forbidden, but in the event of some person violating the provision and actually incorporating old cheese into the new curd, then by giving due notice he is permitted to sell the article for what it is.

Mr. BOYS: The only change from the old act appears to be the omission of the word "knowingly." On a previous occasion in this House dealing with another act I had occasion to make reference to the same matter, and I want to register my protest now against the leaving out of the word "knowingly." I

do not think anybody should be found guilty of an offence, either criminal or quasi-criminal, unless it can be shown that he knowingly committed the act. I cannot think it proper that any man who innocently does a thing should be found guilty of a crime or quasi-crime. Why does the minister want to omit the word "knowingly?" It is a dangerous thing to do. I know there are similar provisions in the Inland Revenue Act and very great trouble results from them. I suggest that the minister seriously consider whether he wants to put through a provision which will enable any magistrate or judge to convict one accused of an offence unless he has committed the act knowingly.

Mr. MOTHERWELL: When you use the word "knowingly" you make it exceedingly difficult to prove that the act was deliberately committed or that the accused was at all conscious of the wrongdoing, and the result is that the prosecution fails.

Mr. CALDWELL: If this section applied to the man who manufactured the product, I could undertsand why the word "knowingly" might be left out, but when it applies to the man who sells, offers, exposes or has in possession for sale, I think we are going too far. Every storekeeper is not an expert in these things; he is not supposed to know. In British law I think it is recognized that a man is innocent until he is proved guilty. Section 4 was called "passed" before I realized that we were dealing with it, and I would like to refer to that for a moment, if I may. I think the minister is reversing his ordinary practice and opening the door a bit. The old section 7, which is amended by section 4, said:

No person shall either by himself or through the agency of any other person manufacture,—

And so forth. This section if it passes will allow a man to do the prohibited thing through someone else, through some other agency, and he cannot be held responsible. I am just a little afraid of section 4. Also I believe that section 5 is too drastic, and I think that the minister should not insist on it.

Mr. MOTHERWELL: I do not think section 4 opens the door. The amendment covers every medium of handling the product and is, I think, quite sufficient.

Mr. CALDWELL: I do not like to put my view against the minister's, although I may possibly be on a par with him as regards legal matters. I do think section 4 is opening the door, and as to section 5 I would not like to see it passed; I would suggest that the minister reconsider it.

Mr. MEIGHEN: Really, I thought for a while we could fix this act up, but I am getting discouraged. The drafting of the bill is terrible. I have no personal knowledge as to who did it, and I do not say he was not intelligent, but he was not trained. In the first place, the member behind me (Mr. Boys) was right, in my judgment, as to section 3. The idea of repealing a section half a page long and re-enacting it for the sake of striking out six words—

Mr. MOTHERWELL: They do that.

Mr. MEIGHEN: I know, but it is not good drafting. It might be desirable where there are several changes, but where there is only one small change it is fearfully clumsy. But when he comes to section 5 the draftsman abandons this rule. This section by itself does not mean anything, and anyone reading it has to go back to the original act in any case. That criticism applies all through. No rule whatever is followed. But just let the minister follow me in this— and I call the attention of the hon. member for Cape Breton South and Richmond (Mr. Carroll) especially to it. Here is a section which says:

No person shall sell, offer, expose or have in possession for sale, any cheese in which has been incorporated during the process of manufacture any inferior curd or cheese, unless due notice has been given of such incorporation.

Now, that is the way it reads. The change is the leaving out of the word "knowingly", a very material change indeed. Perhaps it is necessary, I am not arguing that at the moment; but it is a change of the most pronounced type, it makes a man guilty whether the act was committed knowingly or not. And here is the explanation given—will hon. members just enjoy this with me for a minute:

The word "knowingly" is removed as redundant and the clause redrafted in order to make it more intelligible.

Mr. CARROLL: Of course no lawyer ever used that expression.

Mr. MEIGHEN: Imagine addressing such words as that to the House of Commons—telling us that the word "knowingly" was omitted because it was redundant and in order to make the clause more intelligible! It is nonsense.

Mr. MOTHERWELL: This is a lawyer's work, as the right hon. member knows.

Mr. MEIGHEN: If so, he ought to be arrested. It is absurd to address such rot as that to any person. "Knowingly" is not left out as redundant; it is left out because of

the difficulty of prosecution, of establishing that the man knew it. Consequently, there are so many evidences of knowingly clumsy draftsmanship as to be impudent. It is really impudence to tell anybody that "knowingly" is left out as redundant. If the minister wants to attain his object, I would give him this suggestion for what he may think it is worth: leave "knowingly" in, but put the burden of proof on the defendant. That is frequently done, although it is pretty drastic. Say that the burden of showing that he did not know shall be on the accused. When the minister is having this redrafted, let him please see that nobody ever again asserts such nonsense as that before a House of Commons or even before a kindergarten class.

Mr. MOTHERWELL: I have to accept responsibility for this phraseology although I have nothing to do with it, whether I "know" or do not "know;" whether I bring this down "knowingly" or not.

Mr. MEIGHEN: I know. I do not want to be too hard on the minister.

Mr. MOTHERWELL: Let me draw my right hon. friend's attention to something that happened here two years ago as regards this kind of drafting. I have kicked against it often enough, and I have lost any hope of making any change in draftsmanship here in regard to legislation. The right hon. member will recall that two years ago when an amendment came down to the same act, when a resolution with regard to oleomargarine was actually on the order paper, the bill came down prohibiting oleomargarine. How did that happen to be there? I did not send it up to the law department and my officers did not send it there. But pursuing the same practice, because once a section was amended the draftsman repeated all the other ones, and in that repetition he repeated the prohibition of the manufacture of oleomargarine when a resolution was on the order paper ready for discussion. I had nothing to do but to discharge that bill from the order paper. That was the way in which the prohibition got in the bill. My right hon. friend was suspicious; he thought it got there by some sinister means. We are very careful with these bills. Some of the bills had to be reprinted because in the repetition of the whole section—sometimes in order to get only one word inserted—something else was brought up that we did not want to be brought up and that it was not necessary to bring up, opening up contentious questions. We might as well have had consolidation as to have it repeated. Some of them were actually repealed in order to avoid repetitions of whole sections for the purpose of eliminating one or two words.

As regards the word "knowingly," I think my right hon. friend's suggestion that the onus of proof be on the defendant is rather extreme. That, I think, is done only in a few cases. I know in some of the liquor legislation in the west, the burden of proof is thrown upon the defendant. That is regarded as being quite contrary to the usual British practice of a man being considered innocent until he is proven guilty. I would not like to bring down a bill embodying that principle of the defendant having to prove his innocence. If, however, the right hon. member thinks it is less drastic—

Mr. MEIGHEN: Certainly it is. In this case the poor fellow has no chance to prove his innocence at all. He is not allowed to say a word. As soon as he is shown to have sold it, he is guilty.

Mr. MOTHERWELL: I would rather have "knowingly" put in.

Mr. BOYS: I would like to support the suggestion of my leader and I think the minister ought to welcome that suggestion. I quite appreciate there are difficulties from his standpoint. I have been up against this thing a good many times in the courts. If the section were to remain as the minister has it with a subsection worded something like this:

Provided, however, that if the accused can show that he acted innocently, he shall not be convicted.

That is fair. In the first place the department's case is made out by merely showing that the man offered for sale, let us say butter which should not have been offered for sale. Supposing he has done that innocently, I do not think the minister would wish him to be convicted.

Mr. MOTHERWELL: No.

Mr. BOYS: Very well. We agree there. Possibly we should not go any further, but if the minister thinks in the enforcement of this and other similar acts, it is necessary to go a little further, then he might adopt the suggestion that is made and insert a proviso that if the defendant in the case can show that he acted innocently, he is not to be convicted. That prevents the conviction of an innocent man, and at the same time it gives the department, perhaps, a wider scope for the enforcement of the law.

Mr. MOTHERWELL: I think it would be almost the same to put in "knowingly."

Mr. BOYS: No, it is not. The minister at once thinks a person who is a lawyer is very technical and trying to make trouble and so on.

Mr. MOTHERWELL: No.

Mr. BOYS: This can be explained. In the one case, the "knowingly" is part of the crown's case, whereas in the other it is not. The crown has presented and closed its case. It establishes its case by merely proving the sale. Then it is up to the defendant. If he cannot satisfy the magistrate of his innocence, he is convicted; if he can satisfy him of his innocence, he is discharged.

Mr. MOTHERWELL: I see the distinction. It is who has to do the proving.

Mr. BOYS: Only in that one respect. The crown must do all the proving of the sale, so it is not a case of a man being assumed to be guilty until he is proven innocent as the minister thought it was at first blush. The crown must make out its case except as regards knowledge. I would not suggest that the words I have offered are the proper words to effect this, but words of that import would meet the case and protect both the accused and the department.

Mr. MOTHERWELL: As the bill is to remain in committee, we will let this section stand.

Mr. COOTE: I think the power which is asked for is altogether too wide. The minister would have plenty of power if he just put back the word "knowingly." I want to protest against such legislation as this because it would put the innocent retailer in a position where he would be almost afraid to handle cheese, if the minister really means what he says in this legislation. If he wants to interfere with the sale of dairy produce, this is a good way to do it.

Mr. LADNER: I am going to suggest that the minister eliminate the word "knowingly," but employ here the same idea that is found in one of the other sections and in many acts of parliament by using the words "prima facie proof," so that the prosecution proves its case by showing the selling or offering, which is prima facie proof of the man's guilt, but the man can then escape in an equitable way by showing that he was not really responsible. For instance, a grocer might obtain quite a large quantity of this material and sell it quite innocently. It would be the height of injustice to inflict a severe penalty upon that man when he has no real intent to break the law.

Mr. MOTHERWELL: We cannot have it every way.

Mr. TOLMIE: With regard to this particular clause, I am not so much afraid of some innocent man getting stuck as of some fellow deliberately selling this mixed cheese or something that is not right. What does the minister propose to do in the way of protecting the public in the selling of this cheese? He has carefully safeguarded the sale of butter. That is quite right. Is it proposed that there shall be marked on the package that it is a mixed cheese, and presuming it is so marked and a man comes in and wants two pounds of cheese, how is he going to know that the grocer is selling him mixed cheese? I should like the minister to take that into consideration.

Mr. MOTHERWELL: The product is usually sold and notice is given by the cheese board. The practice is not a frequent one. Some intimation however, is given to the public or whoever is making the purchase.

Section 5 stands.

Section 6 agreed to.

On section 7—Penalty sections.

Mr. MOTHERWELL: There are so many of these offences committed that we find it necessary to make the penalties severe.

Section agreed to.

On section 8—Penalty for obstructing persons enforcing act.

Mr. MEIGHEN: Has the minister come in contact with offences of this kind?

Mr. MOTHERWELL: Very few, but there is a possibility of more in the future. They are very rare at the present time.

Mr. MEIGHEN: I do not know that this section has been considered thoroughly enough as yet. I think that hon. members who are accustomed to perusing statutes will see that this section makes the failure to do something an offence before the man has ever been required to do it. Does the minister see what my point is? There is no section so far as I could trace it; one cannot trace these things in a minute—making it obligatory on any one to help the officers of the law, and without making it obligatory on him to do it this section then goes on and

says that if the man failed to do the thing required of him he is liable. That is pretty serious. I am quite ready to legislate that anybody who obstructs an inspector should be punishable, but it is quite a different thing to say that any man who fails to do a thing commits an offence. Why, nine hundred and ninety-nine out of a thousand would fail to do a thing because they had an opportunity to do it. You cannot pass that kind of legislation.

Mr. MOTHERWELL: This is to meet a case where any person refuses to render the necessary assistance, we will say in a large warehouse where cheese or butter is piled up in great quantities, and the inspector or officer, whoever he is, comes along and requires a certain amount of assistance in order to get at a package. The tenant or whoever is there refuses to give that assistance sometimes.

Mr. CALDWELL: The minister had better substitute "refuses" for "fails" in the second line.

Mr. MOTHERWELL: He might not at the time refuse. He might assent and then while assenting fail to do it.

Mr. CALDWELL: I really think the minister is looking for trouble when he words the section in this way. I do not think you can pass an act of that kind; I do not think you could enforce it if it were passed.

Mr. MOTHERWELL: There may be a little difficulty there but if my hon. friends think the provision is too wide—

Mr. CALDWELL: I think it is altogether too wide.

Mr. MOTHERWELL: My hon. friends, of course can imagine a case where the inspector turned away to do something else and on returning found that although the man had assented—he had not refused—had failed to do as he was requested.

Mr. CALDWELL: If a man is requested to do a thing and does not do it it is a refusal no matter what he says. We have, probably, a good illustration in Holy Writ where a man said to his son "go work to-day in my vineyard" and he answered and said "I will not"; but afterward he repented and went. And he came to the second and said likewise. And he answered and said, "I go, sir"; and went not. And he who said "I will not" and afterwards went was justified, while the other was condemned.

Mr. MOTHERWELL: Will my hon. friend move to substitute the word "refuses" for the word "fails?"

[Mr. Meighen.]

Mr. CALDWELL: I will move that the word "refuses" be substituted for the word "fails" in the second line.

Mr. MEIGHEN: I have no particular business to be warning the minister, but I never saw legislation like that which is proposed here before. I will read the provision to hon. members; if they want to pass it all right. This is the way the law reads now:

> Every person who obstructs any person charged with the enforcement of this act in entering any premises to make examination of dairy products* * * or who refuses to permit the making of any such examination, shall be liable to a penalty—

And so forth. That is reasonable. But listen to the wording of the section here:

> Any person who obstructs an inspector in carrying out any of the provisions of this act—

It is all right so far. Let me continue:

> —or who fails to give any such officer all reasonable assistance in his power—

And so on. Now, if a man is walking along the street not in the least concerned, who is not even asked—there is a lot of assistance that is in his power to give and he does not give it; Is he to be guilty of an offence and liable to be committed to gaol?

Mr. CALDWELL: He would, in this case.

Mr. MEIGHEN: In other words the man who drafted this provision does not know how to draft. The minister talks about the trouble he has experienced. He will never know what trouble is until somebody tries to enforce this section. He will know what trouble is then. Let us see further:

> Any person who obstructs an inspector in carrying out any of the provisions of this act—

I do not object to that:

> —or who fails to give any such officer all reasonable assistance in his power, or to furnish him with any information he may reasonably require,

The middle feature is the worst, although the last one is bad too; it says here that if a man fails to do something he is a criminal. The fellow encountered on the street is just as liable as anybody else although he has not been asked to do anything. I could not make a suggestion as to how the section should be worded at the moment, but the minister will be well advised if he reserves this clause.

Mr. MOTHERWELL: Of course, whether this provision would be wise or the contrary will depend on the manner in which it is administered. Under the old act much

difficulty was experienced, because of having to just nail a man right down in order to prove anything. This provision has been made purposely wide so as to make it easier to prove our case and get a conviction; that is the avowed purpose of it. The provision would not look so extreme if my right hon. friend could picture the circumstances which call for it. Take a warehouse, as I pointed out a few moments ago, and the tenant or owner, as the case may be, refuses to give the necessary assistance to take out some parcels.

Mr. MEIGHEN: That is all right, but the minister has not said "the owner or the man in charge." Surely the man down the street, who has nothing to do with the matter at all, is not expected to be hauled in off the street and told that he must take out boxes and that if he fails to do so he commits an offence.

Mr. MOTHERWELL: My right hon. friend has such a vivid imagination he can picture anything.

Mr. MEIGHEN: I am only citing an extreme case in order to make the argument plain. It may be true there is some difficulty in obtaining a conviction for such an offence, but you cannot make that a justification for rendering a man liable to an offence that he is no more guilty of than the man in the moon. You have got to take care that your legislation is so worded that nobody who is really innocent shall be convicted. But you can convict the whole world under this wording. It needs revision.

Mr. MOTHERWELL: The provision may be unnecessarily wide—I will be quite candid with my hon. friend—at the same time nobody is going out to pick up a person on Wellington street and because he did not do something find him guilty of an offence under this bill. We have to assume that a little modicum of common sense will be exercised in the administration of the law. Having regard to my right hon. friend's legal acumen and his analytical power to split hairs and dissect a piece of legislation, I would possibly take the same position as he does, and allowing for everything I think perhaps it is too wide and not sufficiently definite. Rather than take the necessary time to redraft section 8, we will let it stand.

Section stands.

On section 9—Entering premises; assisting the inspector.

Mr. MEIGHEN: I think the minister will observe that this section really covers all that he needs. I have not been able to follow it carefully, but have not observed any previous difficulty about it. With section 9 as the minister desires to have it passed, he does not require the part of section 8 that I have objected to as being loose.

Mr. MOTHERWELL: Section 8 deals with obstruction.

Mr. MEIGHEN: Yes, and here the section defines what obstruction is, and so widely that he does not need the provisions of section 8 at all. If the minister gets a real draftsman to go over the sections again, he can shorten it up by saying that anyone who is guilty of an obstruction shall be liable to such-and-such a penalty, because he has defined obstruction in section 9.

Mr. ROSS (Kingston): I suggest that the word "employee" be struck out. I do not think it would be fair to have an officer apprehend an employee who is under the control of a master and say that he shall be exposed to a fine. The same idea would apply to section 8. Why should an inspector come in and say to an employee, "You do this", or "you do that", without the consent of the master? I do not think an employee should be subjected to that.

Mr. MOTHERWELL: It might be a joint stock company or something of that kind, and it would be very difficult to get at them.

Mr. STANSELL: There is no doubt about what the minister wishes to cover, but the last clause will cover it all. The difficulty with the first clause is that it did not define who came under its provisions; it might apply to anyone. This says: "all manufacturers or dealers in dairy products and their employees and all common carriers, railway, steamship"—and so on. That makes all the provisions that are required, in my judgment, and the other clause only requires a very slight change.

Mr. MOTHERWELL: The first clause deals with obstruction and the other does not.

Mr. STANSELL: It makes the clause so that it will apply to anyone.

Mr. ROSS (Kingston): No man can serve two masters, and the employee is under the order of his master and is paid by him, and the government inspector has no right to come in and say, "You do this or I will fine you".

Mr. MOTHERWELL: Quite a number of these creameries are joint stock companies with a large number of shareholders, and very likely none of the shareholders 5 p.m. will be there. The creamery is operated by the employees, and if you exclude the employees whom will you prosecute? I think the clause is all right as it stands.

Mr. ROSS (Kingston): You could say the manager and not the employee.

Mr. MOTHERWELL: The manager and all the employees.

Section 9 agreed to.

On section 10—Regulations. Subsection (1) —Definition, etc.

Mr. MOTHERWELL: The term "or constituents thereof" means ingredients like salt and colouring.

Mr. MEIGHEN: The draftsman here has not followed his rule, and one has to go back to the act in order to get the slightest idea of what this means. I do not think it will do any good to read it; one has to study it. The effect of (a) is this: That in addition to empowering to make regulations as to classification, marking and branding of butter and cheese and other dairy products, parliament proposes to empower the Governor in Council to make new definitions of butter, cheese and other dairy products or constituents thereof. There might be need of more definition of the constituents, but there is certainly no more need of definition of the products. I do not know why the word "definition" is put in at all. So far as (a) is concerned I do not see what the amendment is for. We have everything defined in this act so widely that surely we do not need to give the Governor in Council power to define it again.

Mr. MOTHERWELL: There are quite a number of things we have not defined.

Mr. MEIGHEN: The constituents, perhaps.

Mr. MOTHERWELL: There are rennet, salt and colouring matter, and these are all important, especially the salt.

Mr. MEIGHEN: No, I see. In order to get power to define the constituents the amendment must carry, and I do not object to giving the Governor in Council power to define the constituents, but as to giving power to define butter and cheese and other dairy products, surely they are all defined in the act now.

[Mr. A. E. Ross.]

Mr. MOTHERWELL: Take this kraft cheese.

Mr MEIGHEN: Is that not defined?

Mr. MOTHERWELL: It is not defined. New dairy products are being constantly put on the market and unless we have fairly wide powers to cope with changing conditions by means of order in council I shall only have to come back to parliament frequently to secure amendments. I understand that kraft cheese was one of the things we had in mind. Three or four members of the agricultural committee were under the impression that we should make regulations controlling the export of that product. If this particular article increases I think we shall sooner or later be obliged to define it; at present no one knows what its composition is.

Mr. TOLMIE: I think it is absolutely necessary that the minister should be given a certain degree of latitude in the matter of regulations, particularly in view of the constantly changing conditions of the market. Very often articles are adulterated and put upon the market in competition with legitimate products and it is important that regulations should be made on short notice to meet such a situation.

Mr. MOTHERWELL: What we are providing will meet the difficulty suggested by the hon. member for Leeds (Mr. Stewart).

Subsection (1) agreed to.

On subsection (2)—Seizure and confiscation.

Mr. MEIGHEN: What is the change here?

Mr. MOTHERWELL: This merely adds certain words to make the provision more comprehensive. By an omission the added words were not underlined.

Subsection (2) agreed to.

On subsection (3).

Mr. MEIGHEN: This is all new.

Mr. MOTHERWELL: This provides regulations with regard to the construction of cheese boxes. We have had a great deal of complaint from our representatives on the other side of the Atlantic regarding the condition of cheese boxes on their arrival in the Old Country. For many years our cheese boxes have been made of very flimsy material and although they are subject to the control of the railway commission it has happened in actual practice that by the time the boxes have been landed in England they have become sadly dilapidated, so that one would

think they had passed through a cyclone. I have received photographs of Canadian cheese boxes landed in England, with complementary pictures of Australian boxes, and the contrast was anything but flattering to us. There is no question that the proper container has something to do with the sale of an article even in such a practical market as the Old Country. There has been no uniformity in the matter of cheese boxes in this country; the thing has, so to speak, simply grown up, Topsy-like, during the past fifty years without any direction. The result is that we have had four different kinds of hoops for various grades of cheese, and boxes of four different sizes; and some manufacturers have actually turned out twelve varieties of cheese boxes. These containers have all been made out of more or less flimsy material and on the whole they have reflected great discredit on the business of this country. I think it is highly essential that there should be some uniform system to secure a better class of boxes. It is proposed to arrange for a standardized diameter both for the large boxes and for the small containers and to allow shippers two or three years in which to utilize the boxes they have on hand and to enable the box-makers to dispose of the wood they have already sawn. This will avoid any loss in this direction. There will be no inconvenience to the shippers in changing the boxes. This matter has been discussed during the consideration of the estimates as well as in the agricultural committee, many hon. gentlemen who come from dairy districts agreeing that the provision is necessary. I have also consulted manufacturers and those generally interested in the business and they concur in the wisdom of the proposal, provided that they are allowed to use up the material they have at present on hand. Mr. Daoust, of the harbour board of Montreal, when he came back from the Old Country, called at my office and expressed surprise that an otherwise excellent product should be shipped in such an unsatisfactory manner.

Mr. MacLEAN (Prince): Has any weight been decided on in regard to cheese?

Mr. MOTHERWELL: No, that will be left to the factory. We are providing a standard diameter and the weight can be made up by the height of the cheese.

Mr. MacLEAN (Prince): I understand that the delivery of our cheese in bad condition in the Old Country is due largely to the fact that the article does not fit the container and thus the box is frequently broken. Perhaps it would be well to have a standard weight of cheese. Butter is shipped in 56-pound boxes, so that there is a standard so far as that commodity is concerned; but cheese ranges from 70 to 80 pounds.

Mr. MOTHERWELL: If the cheese are all of the same size there will be no trouble in fitting them into the containers.

Section agreed to.

On section 11, subsection (1)—Establishment of guilt for violation of act.

Mr. CARROLL: The words "prima facie evidence" occur in this section. We have already amended one section in which similar words appear, and to make the present provision clearer I move that the words "prima facie evidence" be struck out and the words "prima facie proof" be substituted therefor.

Mr. MEIGHEN: The minister will notice that the draftsman did not follow his celebrated rule here.

Mr. MOTHERWELL: I have no rule; I do not pretend to be an authority on legal questions.

Mr. CALDWELL: Are factories that manufacture butter and cheese required to register.

Mr. MOTHERWELL: Yes.

Mr. CALDWELL: Is there any penalty provided for factories that are not registered using the registered number of some other factory?

Mr. MOTHERWELL: Until a factory secures a registered number we have authority to withhold our certificate for the butter or cheese which it turns out.

Mr. MEIGHEN: I think the amendment is all right.

Amendment agreed to. Subsection (1) agreed to.

The CHAIRMAN: Subsection 2 of section 11 has been amended by the Agriculture committee to read as follows:

The said act is further amended by adding the following as subsection 2 (a) thereof:—

Then 2 (a)—originally 2 (b) follows—expense of analysis.

Mr. MOTHERWELL: That simply means the expense of the analysis is treated as part of the costs of the court.

Mr. CALDWELL: Is subsection 2 (b) as printed in this bill changed, or is it simply a renumbering of the subsection?

The CHAIRMAN: Subsection (b) stands exactly as it is, but it is marked 2 (a).

Mr. CARROLL: If the minister is anxious that the expense of the analysis should be actually included in the costs of the prosecution, he is not using the correct language, because the words, "shall be deemed," give the magistrate or judge discretion in the matter.

Mr. CALDWELL: I do not see any great objection to giving the magistrate discretion. I can well imagine cases where the person accused should not pay the expenses of the analysis.

Mr. CARROLL: If he is convicted?

Mr. CALDWELL: For instance, we refund fees in this House on certain bills.

Mr. CARROLL: I am simply pointing out that in all cases the minister may not get this expense, but I have no objection to the provision.

Mr. MOTHERWELL: I think it is sufficiently manifest.

Mr. MEIGHEN: I do not very often differ with the hon. member for Cape Breton South and Richmond (Mr. Carroll), but I do not quite agree with him there. The old section says that for the purpose of establishing proof there may be resort to a Dominion analyst, who shall make a report, which shall be received as evidence in any proceedings. This paragraph 2 (a) says that any expenses incurred shall be deemed to be a portion of the costs of proceedings and shall be payable by the person accused accordingly. But the act does not make the costs payable by the guilty person. I am not sure that the act even gives the magistrate authority to add the costs to the fine, and consequently if this passes I think the magistrate would be bound to make the fellow pay the costs of the analysis although in his judgment he should not pay the general costs at all. I would suggest that we amend the paragraph to read: The expense of the analysis shall be part of the costs.

Mr. MOTHERWELL: That is more concise, I admit, but I think it would have about the same effect.

Mr. MEIGHEN: It is not only shorter, but it prevents any conflict. As the paragraph stands, the magistrate, it seems to me, would be bound to make the fellow pay the costs of the analysis although in his judgment he should not pay them at all. The result would be that the accused person would be let off from paying the general costs, but would be forced to pay the costs of the analysis. I would simply make the paragraph read: The expense of the analysis shall be part of the costs.

Mr. MOTHERWELL: I second the motion.

The CHAIRMAN: Then, as amended, paragraph 2 (a) will read:

2. (a) The expense of the analysis shall be part of the costs.

Amendment agreed to.

Section 11, as amended, agreed to.

Progress reported.

QUEBEC HARBOUR COMMISSIONERS

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

Resolved, that it is expedient to provide,—

1. That the Governor in Council may, from time to time, advance and pay to the corporation of the Quebec Harbour Commissioners, in addition to the moneys heretofore authorized to be advanced to the corporation for the construction of harbour improvements by existing legislation, such sums of money, not exceeding in the whole the sum of $5,000,000, as may be required to enable the corporation to complete construction of terminal facilities in Quebec harbour for which the plans, specifications and estimates have already been approved by the Governor in Council, and to construct such additional terminal facilities as may be, likewise, approved as necessary, further to properly equip the said port.

2. That during the period of construction of the works referred to, the interest payable on the debentures to be deposited with the Minister of Finance and Receiver General, under the provisions of the proposed legislation, shall be deemed to be money acquired in the construction of such works and to be a part of the cost of the construction thereof, and may be paid out of the said sum of $5,000,000; the period of construction herein referred to shall begin on the day when the first advance is made on account of said construction, and terminate on such date as the Governor in Council shall determine.

3. That no advances shall be paid, as above provided for, unless such detailed plans, specifications and estimates for the works on which the money to be advanced is to be expended as are satisfactory to the Minister of Marine and Fisheries, have been submitted to and approved by the Governor in Council before work on the same has been commenced.

4. That the corporation shall submit to the Minister of Marine and Fisheries for approval, monthly applications for such advances as they may be entitled to apply for, with statements, in detail, in such form as the minister may direct, and, upon approval of same, authority for the payment of the amount applied for may be granted by the Governor in Council.

5. That the corporation shall, upon any advances being made, deposit with the Minister of Finance debentures of the corporation equal in par value to the advance so made, repayable wthin twenty-five years from the date of issue, and bearing interest payable half-yearly at the rate of five per centum per annum.

6. That the principal and interest of the sums advanced under the authority of the proposed legislation to the corporation shall be payable by the corporation out of all its property, assets, tolls, rates, dues, penalties and other sources of revenue and income whatsoever, and shall rank as a charge thereon next after, and have precedence in regard to payment next after, the principal and interest of all debentures or bonds heretofore issued by the corporation to the public and amounting to the sum of one million one hundred and fifty thousand dollars, such debentures or bonds having been issued under the provision of chapter 48 of the statutes of 1898, chapter 34 of the statutes of 1899 and chapter 36 of the statutes of 1907.

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

The CHAIRMAN: Is it the pleasure of the committee to consider this resolution section by section? Section 1.

Mr. CALDWELL: I think, Mr. Chairman, that there should be a general discussion of the resolution before we consider it clause by clause.

The CHAIRMAN: The general discussion would be permissible on the first clause, which provides for the expenditure.

Mr. CALDWELL: I think it would be necessary to consider the last clause before we take up the first one. The last clause says:

The principal and interest. . . . shall rank as a charge thereon next after, and have precedence in regard to payment next after, the principal and interest of all debentures or bonds heretofore issued by the corporation to the public and amounting to the sum of $1,150,000.

Has the Quebec Harbour Commission ever made any payment of interest or principal in respect to the bonds issued, and if so, how much?

Mr. CARDIN: The resolution is a very extended one and contains practically all the details that it is proposed to incorporate in the bill. It provides for a loan not exceeding $5,000,000 for new facilities at the port of Quebec. This request on the part of the Harbour Commissioners of Quebec and on the part of the citizens of Quebec has been made to the present government and was made also, I believe, to previous governments, but action has been delayed up to the present. I think we are now justified in granting the request, which has received the approval, I may say, of the companies interested in shipping. In these days of keen competition among trading countries it would seem to be the duty of governments to do all they can to provide necessary facilities at the ports of the country in order to facilitate the handling and transport of goods, which is one of the most interesting and most difficult problems we have to deal with. Canada is one of the most important trading countries of the world; it is necessary that she should build up her ports and through that development lead to the development of the country as a whole. Expenditures which have already been made upon our ports have proved to be profitable to the public at large. The ports of Montreal, Vancouver, St. John and Halifax are a credit to the country; I think we are all proud that Canada has such facilities. It is by and through its ports that a country is best known abroad; it is through the traffic in and out of our ports that Canada becomes better known to all other countries with whom she has to deal. Montreal is to-day one of the most important ports of the world, and unquestionably its development has played a large part in the progress of all this part of the country. There is room for further development at Quebec also, located, as it is, at the centre of a very interesting district. When our country starts anew in its progress; when they enjoy in this part of the country the development toward which they are working, I think the port of Quebec will need all the facilities that we are capable of granting them. The government are following a proper policy, it seems to me, in trying to bring about as much development as possible in this port of Quebec, which is one of the greatest natural ports in the world; and I am confident that the result will be to bring about greater progress and expansion. I think, therefore, there can be no serious objection to this expenditure. What the harbour commissioners have in view is the building of a wharf, and the erection of sheds thereon, and the carrying out of some dredging. The proposed wharf will be nearly four thousand feet long, and upon it will be erected sheds for the housing of goods for loading on and off the boats. The work will start about three hundred feet east of what is called the car ferry wharf on the St. Lawrence and go up toward the Quebec bridge. The developments which have so far been carried out at that port have been rather at the mouth of the St. Charles river, at the east side of the city. These proposed developments are to take place on the St. Lawrence in front of the city of Quebec. I said a moment ago that this project was approved by people interested in navigation. It will be well to place on the record the approval of this project which has been given by the Shipping Federation of Canada. This association has sent to the Prime Minister an approval covering the project that the Harbour Commissioners of Quebec have in mind.

Sir HENRY DRAYTON: What is the date of that?

Mr. CARDIN: 24th March, 1924. This memorial reads:

The memorial of the Shipping Federation of Canada, incorporated by act of parliament of the Dominion of Canada, who own or represent 977,799 gross tons of ocean and coasting shipping trading to the St. Lawrence route, with a capital investment of many millions of dollars, a considerable portion of which is for Canadian account.

1. Whereas the accommodation at the port of Quebec for the larger class of vessels is entirely inadequate, and the draft of water available will not permit using ports above Quebec, and,

2. Whereas, the berths available for ocean-going vessels at the port of Quebec are now all allotted for the coming season of navigation and accommodation is unavailable for any other vessels which may desire to trade to Quebec, and

3. Whereas at the present time a large passenger liner company is seeking accommodation for its vessels at the port of Quebec and none is available, and

4. Whereas fully two-thirds of passengers and cargo arriving at the port of Quebec is destined to other provinces in the Dominion, and

5. Whereas the St. Lawrence route is the principal artery of the trade and commerce of the Dominion, and any trade diverted to ports to the south of us through failure to provide adequate accommodation would be a national loss, and

6. Whereas the government have already spent large sums of money in improving our aids to navigation, and the increased trade which has resulted therefrom during the past twenty-years has fully compensated the country for the expenditures made, and

7. Whereas the travelling public prefer to go direct to or from their homeland or their intended protracted sojourn without passing through foreign territory, and

8. Whereas your memorialists have had submitted to them by the Quebec harbour commissioners a general plan providing for the present and future requirements of the port of Quebec, which has received the unanimous endorsement of your memorialists, and

9. Whereas your memorialists feel reluctant in recommending this plan to the government at such a time of financial stringency, but, nevertheless, are strongly of the opinion that unless Canadian routes are developed to the fullest extent possible, there is danger of Canada losing trade to competing ports to the south of us, where immense sums of money are being expended annually in providing modern ocean terminal facilities.

Therefore your memorialists are of the opinion that an appropriation should be granted to the Quebec harbour commissioners to enable them to commence this national work, as it may be pointed out that the matter is urgent when it is considered that it will take five years before any of the additional berths can be provided for the use of ocean traffic.

Furthermore, your memorialists have the greatest confidence in the present Board of Harbour Commissioners and feel that any money voted by the government will be judiciously spent in providing accommodation for the present and future needs of the port of Quebec.

The whole most respectfully submitted.

WLLIAM I. GEAR,
Chairman.

THOMAS ROBB,
Secretary.

Although this approval was given in the month of March, 1924, the shipping federation entertains the same view.

Sir HENRY DRAYTON: Conditions have entirely changed, that is all.

[Sir Henry Drayton.]

Mr. CARDIN: The condition of the country—

Sir HENRY DRAYTON: Has entirely changed and my hon. friend knows that.

Mr. CARDIN: I contend that the shipping federation entertains the same view in regard to the project. In answer to the hon. member for Victoria and Carleton (Mr. Caldwell), I may say that the harbour commissioners have paid the interest on the bonds issued to the public to an amount of $1,150,000. The interest has always been paid by the commissioners.

Mr. CALDWELL: Have they paid any interest to the government on advances made by the government?

Mr. CARDIN: No.

Mr. CALDWELL: I am one of those who believe the harbour of Quebec should be developed; but there is a consideration that comes before further development of Quebec harbour, and that is that the present harbour facilities shall be used to its full capacity. In this respect, I feel that an injustice is being done, not only to the port of Quebec, but to the Transcontinental railway and to the ports of Halifax and St. John. When the Transcontinental railway was built, we were told that it was built for the express purpose of furnishing a short direct route to the eastern seaboard, a route with the best grades of any road in Canada, and this was done at an enormous expense to this country. Traffic has not gone over that road in the volume it should. For instance, the port of Quebec is nearer to Winnipeg by rail than is the port of Montreal. I think I am well within the facts in stating that. Moreover, the port of St. John is nearer Winnipeg by rail, using the Transcontinental railway, than the port of Portland is to Winnipeg via Montreal. This has been a sore point with us in the Maritime provinces—for, I was going to say generations; at least, ever since the Transcontinental was built. If the government will guarantee that traffic will go over the Transcontinental in the shape of grain, cattle and other products coming from the west to the east, and products that the west needs going westward, we shall have no hesitation in assisting the minister in developing the port of Quebec. But until this is done, I feel quite reluctant to support this resolution or a bill based upon it. If the traffic were put over the Transcontinental that it is capable of handling, if the traffic were put through the port of Quebec that it is capable of handling with its present

facilities, and then something further were needed, the minister would be well justified in coming to this parliament to get a further loan for the Quebec Harbour Commission. For instance, when the minister's estimates were up a few days ago, I for one took the view that at present the channel should be deepened as far as the harbour at Quebec for large ocean-going vessels and not on to Montreal; that the port of Quebec should be developed to accommodate those vessels; and that traffic should be brought over the Transcontinental to Quebec to furnish cargoes for those ocean-going vessels. I still hold those views.

Mr. LAPOINTE: How can that be done if the port of Quebec is not enlarged?

Mr. CALDWELL: That is my point exactly. The point is that Quebec has not been given the traffic it can handle at the present time. We have over-built our railways, we have over-developed our ports in some directions, and we have carried to a port in the United States a large quantity of traffic that should go through Canadian ports. This has been done because east-bound traffic from the west has largely centred at Montreal. Then when water navigation closes to Montreal in the fall, we have an immense stock of grain and other products that must go overseas. It is a long haul from Montreal to Halifax or St. John as compared with the haul to Portland. If more of this traffic were centred at Quebec,—there will be plenty of traffic for Montreal, too—then when navigation closed, this surplus tonnage stored in the elevators at Quebec would go east to the Maritime seaboard, would furnish traffic for our Transcontinental railway to those ports in the east and would, I think, help to reduce the deficit on the Canadian National Railways. But, as I said, just as long as the whole traffic is headed for Montreal, we in the Maritime provinces have no hope of developing our ports and of getting the traffic that we feel we are entitled to and that we were promised at the time of confederation.

I think, possibly, the government but faintly realizes the feeling in the Maritime provinces that they have lost out by going into confederation, largely due to the fact that the promises made when confederation was entered into have not been carried out. I am not blaming any particular government for this failure but this is the sore point—the perpetual withholding of the fulfilment of the terms of confederation. While possibly we have nothing in black and white that we can produce to prove the promises made I think that all the arguments used at the time to induce the Maritime provinces to come into confederation have been violated; at least nearly everyone of them with the exception of the promise to construct the Intercolonial railway, and even in that respect I feel that the representatives of the Maritime provinces at that time were just a little bit too slack. I think possibly they should have had more in black and white instead of the verbal promise of the Dominion government to construct and operate the Intercolonial railway. Of course, for many years the railway was operated not as a commercial enterprise but as a connecting link between the two portions of Canada. It was operated on a freight rate that was not a paying rate —it never was supposed to be a paying rate. However, at the present time the Intercolonial is part of the National system and I do not know that we are going to cause disruption by demanding that the line be taken out of the Canadian National system. I for one am not. I do think, however, that the Maritime provinces should have more consideration than they are getting now in the way of railway freight rates. Possibly these remarks may not be in order at the present time—they would be more appropriate when the railway rates are being discussed, and I have no wish to transgress the rules by entering upon such a discussion now; but I still think that we should have some assurance that the port of Quebec will get a share of the traffic that we hope to develop.

Mr. CARDIN: I have no hesitation in saying that if the government is going to loan a large amount of money to the harbour commissioners at Quebec in order to provide for new developments there, we intend to use those facilities and do all we can to render profitable such developments as may be brought about at that port. According to the representations made to us the present facilities at the port of Quebec could not take care of the traffic that would be created if we acted upon the recommendations of the hon. member for Victoria and Carleton (Mr. Caldwell).

Mr. CALDWELL: Right there may I ask a question? Will the minister tell us if he thinks the facilities at Quebec are used to their fullest capacity now, or have they been so used at any time during the last ten years?

Mr. CARDIN: In so far as the wharves are concerned I may say that all the berths available for vessels in Quebec are occupied; there are none vacant for the accommodation of any new boats that may come to the port.

Mr. CALDWELL: I am not speaking now of the local traffic that is handled at the ordinary wharves; but a larger portion of the grain and cattle traffic, which is deemed to be immense in volume, should come to the port of Quebec, and incidentally the Maritime province ports would get a larger percentage in winter than they are getting at the present time. I will go so far as to say that it is hardly logical for the Canadian National railways to haul wheat or other grain from Montreal to St. John at as cheap a rate as they do to Portland. Yet that is being done at the present time but it is increasing our railway deficit; I am well convinced of that. But some of this grain and cattle trade should go through the port of Quebec seeing that it is a much shorter route from Winnipeg to Quebec by the Transcontinental than from Winnipeg to Montreal by either Canadian Pacific or Canadian National.

Mr. LAPOINTE: Two hundred and fourteen miles shorter.

Mr. CALDWELL: I can see no legitimate reason therefore why the port of Quebec should not handle a very large volume of the western grain. With regard to cattle there is no comparison between the ports of Montreal and Quebec. I understand that at the former port the cattle sheds are not at the docks; the cattle must be loaded into cars and sent down to the wharf to be loaded on to the boat. I had the pleasure of being down at Quebec and of seeing a shipment of cattle loaded there two years ago, and the facilities could not be excelled.

An hon. MEMBER: They are the best on the continent.

Mr. CALDWELL: Not the best on the continent; we have as good at St. John, New Brunswick.

Some hon. MEMBERS: Oh, oh.

Mr. CALDWELL: I am glad it amuses hon. gentlemen.

Mr. POWER: May I point out to the hon. member that the facilities at Quebec are being used very extensively this summer. Since the opening of navigation not a week goes by without one or more cattle boats loading from Quebec.

Mr. CALDWELL: I am pleased to know that. For my part I should only be too glad to acknowledge your facilities for handling cattle through the port of Quebec. But as I have said we have as good facilities at St. John as there are at Quebec and I am going to adhere to that statement. Quebec and St. John, by reason of the facilities which exist at these ports, are the two logical ports to ship cattle from and the cattle can be handled much more cheaply there than through the port of Montreal. The diversion of this traffic to an American port is a sore point with us in the Maritime provinces; we have spent money to build elevators, wharves, and warehouses in Portland. At the same time I am not one of those who thinks that the government or the Canadian National Railways should give away the Grand Trunk railway. That has been advocated but I think it is a foolish proposal. The result would be to put that road into the hands of some competitor that would haul freight from Montreal to Portland at a rate so much cheaper than the Canadian National could haul freight to St. John that we would not get a carload for our Maritime province ports; but I think that by using the port of Quebec we can logically and economically get a bigger share of the grain traffic and the Maritime province ports would also benefit. Quebec would be the proper port in summer and Maritime province ports would be used in winter.

Mr. CLARK: I would ask the minister whether he will give the committee the total advances made by the Dominion to the ports of Quebec, Montreal and Vancouver; the present unpaid interest owing by each port; and the gross income and the net income earned by the harbour commissioners in each case?

Mr. CARDIN: I am in a position to state the total amount of money advanced to the port of Quebec, but unfortunately I have not under my hand the same figures in regard to the ports of Montreal or Vancouver. However, I am quite willing to give my hon. friend the assurance that when we go into committee on the bill I will have those details for him. The total amount of money advanced by the government to the port of Quebec is $12,612,995.

Mr. MEIGHEN: How much of it by the public?

Mr. CARDIN: That is money loaned by the government to the old commission and to the commission as it has been organized since 1912.

Mr. CLARK: How much interest is owing on that?

Mr. CARDIN: I have already said that the interest has not been paid by the Quebec Harbour Commission.

Mr. CLARK: What is the total amount?

Mr. CARDIN: The accrued interest unpaid amounts to $8,000,000. That applies to all the advances since the first advance was made to the port.

Mr. CALDWELL: Has that interest been compounded?

Mr. CARDIN: No.

Mr. CALDWELL: I would advise the government to take some such steps as they took in the case of Greece and Roumania and get bonds issued for the $8,000,000. I do not know whether the bonds would be worth very much unless what I propose is carried out and Quebec is given a larger share of the traffic.

Mr. CLARK: I wonder if I might get an answer to my question before the hon. member goes on to Greece and Roumania.

Mr. CARDIN: I have already stated in answer to the hon. gentleman that the accrued interest unpaid is $8,077,000.

Mr. COOTE: What is the amount owing to the public?

Mr. CARDIN: The amount is $1,150,000.

Mr. CLARK: What is the gross revenue of the Quebec Harbour Commission?

Mr. CARDIN: For the year 1924 it was $568,627 gross.

Mr. CLARK: What is the net?

Mr. CARDIN: The operating expenses for 1924 were $397,078.18 and the net revenue would be $171,549.59.

Mr. CLARK: Are there any other advances that are not secured by bonds?

Mr. CARDIN: No.

Mr. HANSON: Is there not a floating debt due by the harbour commission to the Dominion government or to the bank?

Mr. CLARK: Not secured by bonds.

Mr. CARDIN: Yes. There has been advanced without debenture, $541,393.

Mr. CALDWELL: To whom is that owing?

Mr. CARDIN: To the government.

Mr. CALDWELL: How much on bonds are there outstanding to the public, and has the harbour commission paid the interest on the bonds which the public hold?

Mr. CARDIN: Yes. The amount of bonds is $1,150,000 and the interest has been paid on these bonds to the public.

Mr. CALDWELL: Annually?

Mr. CARDIN: Yes.

Mr. CLARK: Is there any money owing to the banks other than the amount mentioned—any advances made by the banks in addition to this money?

Mr. CARDIN: There are only the current advances which are made by the bank, which advances are repaid when the commission obtain loans from the government.

Mr. CLARK: Has the minister any record of what those advances are.

Mr. CARDIN: Unfortunately at the present time I have not the information.

Mr. HANSON: Could the minister tell us if any interest has ever been paid by the Quebec Harbour Commission to the government of Canada on advances made either secured by bonds or unsecured?

Mr. CARDIN: Many years ago, on the first advances which were made to the port of Quebec, interest was paid, to the amount, if my memory serves me right, of $200,000.

Mr. HANSON: What was the amount last paid?

Mr. CARDIN: The note I have here states that on advances made in 1873 and 1887, Quebec paid to the government interest to the amount of $923,000, and in addition to that there has been paid into the sinking fund $191,746.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. HOEY: I am sure we are all deeply interested in the resolution before us and also in the development of Quebec harbour. There is no one who does not want to see the city of Quebec with its harbour occupy that position in the national life of the country to which it is justly entitled. I must say however that I was amazed when the government introduced the proposal now before us and I became more astounded as the discussion proceeded. I think it was the hon. member (Mr. Power) if not the minister himself (Mr. Cardin) who intimated that the harbour facilities at Quebec at the present time were taxed, if not to their utmost capacity at least to an extent that would justify further development and further expenditures. I have no desire to question the

accuracy of that statement, but if it is true, what does that statement signify? It means that with the amount of money owing this government and the interest thereon we might as well forget any payments of interest and take over the whole sum as a direct obligation. The government yesterday answered the following question thus:

What is the amount of the total obligations of the Quebec harbour commissioners funded or unfunded?
Answer: $21,840,957.

We sometimes deprecate any tendency to develop the Canadian National railways or the transportation of commodities on those railways because we believe that such development, in view of our present volume of traffic would injure to some extent the Canadian Pacific Railway. I should like the minister to tell us during the course of this discussion what will be the net saving to the people of Canada and what will be the net loss that will likey accrue to the harbour of Montreal, upon which we have spent millions of dollars, as well as the other harbours, in the event of this legislation being adopted, in view of the fact that we have only a certain volume of trade in this country anyway and there is no striking evidence that that volume is going to be considerably increased in the immediate future? A few weeks ago, speaking on the Hudson Bay railway, I took the stand, while advocating its completion, that I would not vote for the expenditure of a single dollar on the development of harbour facilities at Port Nelson. With the development of the Panama route at this stage, I think we have harbour facilities that are altogether ahead of present needs. The present proposal is not the only expenditure that we are making at Quebec this year. If hon. members will look at the estimates, page 31, they will find the following item:

Quebec harbour—Champlain dock—to complete, $68,000.

And at page 44 there appears the following:

River St. Lawrence ship channel—maintenance and operating dredging fleet, $1,663,000.

I cannot possibly see why the government has brought down this resolution at the present time.

Mr. LAPOINTE: The vote of $68,000 for the Champlain dock has been in the estimates for the last few years. There are claims outstanding since the war on the part of the contractors and they have not been adjusted, and for that reason the amount is put in the estimates; but it does not mean that any new work is to be undertaken. The other item has no reference to the port of Quebec.

[Mr. Hoey.]

Mr. HOEY: I am directing the attention of the committee to the amount of money spent in that locality at present.

Mr. LAPOINTE: It is not spent there.

Mr. HOEY: It is now almost the month of June and I notice from the information supplied by the government that the Quebec harbour commissioners have still a sum of $119,138.62 to spend. It seems to me that this proposal might very well stand over, and in the event of a general election it might become a very illuminating and legitimate subject for discussion. If it is held over the government can give it a prominent place in their election literature and in their election orations, and if the people of Canada as a whole believe that such expenditures are justified then I will raise no serious objection. But I certainly think that I should be lacking in my duty at this time if I did not raise my voice in protest against this premature expenditure; and unless convincing information is submitted I shall vote against its adoption.

Mr. CAMPBELL: This appears to me to be about the most remarkable vote that has come before parliament in the four years I have been in this House. The port of Quebec already owes something like $21,000,000 on which, according to the statement given by the minister, no interest has been paid since 1887, and the accrued interest at present is over $8,000,000. Now, I do not think than any hon. gentleman in this House would object to this expenditure if the money were going to be properly used and if there were some reasonable hope of its being paid back. But it seems to me the height of absurdity for the government to be spending more money on the port of Quebec while at the same time this very government is actually preventing our western produce going through that port. Every session since I have been in this House I have raised my voice against that condition of affairs. The Minister of Railways (Mr. Graham) two sessions ago treated my plea so sympathetically that I was encouraged to hope that something would be done. I noticed that about that same time Sir Henry Thornton promised that the question of rates over the Transcontinental railway to the port of Quebec would be discussed by his board of management. But nothing has come of it. Two years have gone by since that time, and those discriminatory—no, I will say, those prohibitive rates over our own railway to the port of Quebec are still maintained. Now, this government has it in the hollow of its hand to develop that port, and if it were making any serious

attempt to do so there could be no reasonable objection raised to this expenditure on the harbour.

I should like to submit a few figures in connection with grain and other rates to the port of Quebec. Armstrong is a point on the Transcontinental railway due north of Port Arthur and Fort William, and for purposes of comparison it may be taken as the equivalent of those two points. Armstrong is 959 miles from Quebec, and the present rate on wheat from there to Quebec is 20.7 cents per bushel. This would appear to be about double the prevailing wheat rate on the prairies, as is shown by the following comparison. From Edmonton to Port Arthur the distance is 1,305 miles, about one-third further than the distance from Armstrong to Quebec, but the rate on wheat is only 15.6 cents per bushel. That, I may say, is what we commonly call the Crowsnest rate—the prevailing prairie rate to the head of the lakes. It is not necessary to quote any further figures. I think the case is very clearly established that a serious discrimination exists against the use of the Transcontinental railway and the port of Quebec. To-day we look on the construction of the Transcontinental railway as a monumental blunder. Even our Liberal friends say so. I have not heard one single hon. gentleman in the Liberal party during the lifetime of this parliament defend the construction of that railway. Now, I am not clear in my own mind that it was a blunder. I am rather inclined to think that the men who designed and carried that project through had a vision a little beyond that of the hon. gentlemen who sit on the treasury benches to-day, because it was designed for the purpose of giving the farmers of the west the shortest possible route to the sea. But if the construction of that railway was a blunder, then I say it is a crime not to use it at the present time, but to maintain on it a prohibitory rate, a rate that prevents us using what is one of the finest pieces of roadbed on the continent of America. This magnificent road remains idle, and the port of Quebec is not given an opportunity to develop in the way that it should.

I wish to make it clear, Mr. Chairman, that I am not pleading for the port of Quebec. I do not need to. There are many hon. gentlemen on the treasury benches to-day who are better qualified than I am to put forward the claims and merits of that port.

Mr. McMASTER: Québec est bien représenté.

Mr. CAMPBELL: I am pleading for the farmers of the prairie provinces, and I am attempting to show wherein their interests are prejudiced by the failure of this government and the preceding government to redeem the pledge that was made to the farmers of the west, in fact to all the people of Canada, when the Transcontinental railway project was before the country We in the west were told that if we supported this expenditure our grain could be transported to the port of Quebec cheaper and more expeditiously than it could be handled via the lakes; and I am quite convinced that that is so. I have before me a copy of an editorial from the Manitoba Free Press, in which it is said—

> The building of the National Transcontinental road was supported in the West under a promise that it would carry grain to Quebec at some six cents a bushel; but this has proved a delusion. The building of this system has been of no special service to the Western grain-grower.

Mr. MACDONALD (Pictou): My hon. friend knows that the rates on the Transcontinental railway are fixed by Sir Henry Thornton and his officials who are operating that railway, not by the government.

Mr. CAMPBELL: I am quite aware how the rates are fixed; but I am also aware that this government has control over those rates.

Mr. MACDONALD (Pictou): In what way?

Mr. CAMPBELL: The cabinet sits as a court of appeal over the judgments of the railway commission.

Mr. MACDONALD (Pictou): Not unless an appeal is taken; and this particular case has never been before the government by way of appeal.

Mr. CAMPBELL: Even if the case has not been taken before the government specifically, I do not think that is an excuse for the government to evade its responsibility. Time and again we have had particular instances in which the government has seen fit to introduce rates below the standard.

Mr. MACDONALD (Pictou): Never. The government does not, and cannot, interfere with the railway commission.

Mr. CAMPBELL: The railway commission has nothing to do with the reduction of rates. After all, the real management of the railway is in the government. We cannot get away from that fact. Even the government cannot escape its responsibility for the management of the railway.

Mr. MACDONALD (Pictou): On the contrary, my hon. friend knows the position of

this government has been not to interfere with Sir Henry Thornton and his board of management in the operation of the railway. That has been our confirmed attitude.

Mr. HOEY: But the minister's interjections, if well founded, are really an argument against this resolution.

Mr. MACDONALD (Pictou): I think the rates are not favourable to Quebec. It is unfortunate that they are not.

Mr. CAMPBELL: If the government has no control over the Canadian National Railway—which I for one refuse to admit—I think it is time that it took the case for reduced rates to the railway commission, and if the commission turned it down, the government should appeal to itself. Surely the government has some means of dealing with this situation? It is not impossible of solution. When I see the facility with which the government does something in the interests of particular business corporations or of particular sections of the country that it wants to favour, I can discover no serious obstacle in the way of the government dealing with this situation, and dealing with it effectively, and so redeem the promises made by the Laurier government at the time the Transcontinental railway was built.

The only time that any grain goes forward to the port of Quebec by the railway is after the ports at the head of the lakes are closed in winter time, and when that grain is so transported it means that the unfortunate farmer receives about ten cents a bushel less than he is entitled to. But this is only part of the story. The farmers' interests are seriously prejudiced throughout the whole season when the grain is being moved by water from the head of the lakes. For the shipping season of 1921 the average cost of transporting wheat from the head of the lakes to Montreal via Port Colborne was 12.60 cents per bushel.

An hon. MEMBER: All rail?

Mr. CAMPBELL: No, all water. In addition there is .60 cents for insurance, making a total of 13.20 cents per bushel; the average for 1922 was 13.72 cents, plus .60 cents for insurance, making a total of 14.32 cents. Now, let us analyse these figures a little further. Taking the Edmonton-Port Arthur rate as the basis, the Armstrong-Quebec rate will be 11 cents a bushel. Now, had this eleven-cent rate been in effect during the season 1921, our grain could have been delivered by rail at the port of Quebec for two and a fifth cents less than it was delivered to Montreal by water; and in 1922 for three and a third cents less. Taking the total amount of grain shipped from the head of the lakes during 1921 and 1922, an eleven cent rate would have saved the farmers of western Canada $7,273,000 in 1921 and $8,621,000 in 1922. To be fair, I should point out that in 1923 and 1924 the average water rate was less than the eleven cent rate. In 1923 the average cost of transporting our grain over the water from the head of the lakes to Montreal was 10.91 cents. In 1924 it was 8.99 cents, but there were certain periods in both those years when the rate went considerably above the 11 cent mark. For instance, in May, 1923, the average rate was 12.10 and in October, 12.61, and for the month of April, 1924, the average rate was 11.71 cents. In the figures I have quoted I am including only the grain actually shipped by water from the head of the lakes. I have not taken into account the grain that was ground in Canadian mills and went out as flour, neither am I considering the grain that went forward all rail to Quebec, much of which no doubt paid the double rate. Quebec is 150 miles farther down the river than Montreal.

Mr. PARENT: One hundred and eighty.

Mr. CAMPBELL: I am glad to have my hon. friend's correction; that makes my argument all the stronger. Most of the insurance risk between Montreal and Liverpool is based on the risk in the St. Lawrence river, and this is almost, if not entirely, overcome when Quebec is reached; and that again is another factor. So in addition to saving the amounts I have already quoted, there is the advantage of being 180 miles nearer the market and the very much reduced insurance rate. Of course, I do not assume for a moment that if this low rate were put into effect all our grain would go forward all rail to Quebec; nobody would take that suggestion very seriously. But I think the assertion will not be challenged that if the 11 cent rate were in effect to the port of Quebec it would immediately create a maximum rate on the lakes, a rate that would be more effective in curbing the predatory instincts of the shipping combine than any legislation this House has passed or ever can pass. Now, this government made a rather feeble attempt some years ago to deal with the shipping combine on the lakes. I pointed out on that occasion, and I have pointed out repeatedly since, that the government had in the hollow of its hand the very means of dealing effectively with the combine, because just as soon as the rate was set at 11 cents a bushel we know that the lake rates would never go beyond that figure.

The question of the cost at which grain can be handled comes in, and I think it is an incontestable fact that both our railways have made very substantial profits in carrying grain at the rates in effect on the prairies, or from the prairies to the head of the lakes, since July 6, 1922. A careful analysis of railway statistics will convince anyone of that. If we just look at the lower earnings, the reduced profits of the railways this year, we will see that it is due very largely if not entirely to the fact that we had only half a crop of grain in western Canada. But if the question should arise at all as to the profitable nature of the business of carrying grain from Armstrong to Quebec at 11 cents a bushel, I would like to quote some figures that I think will supply the last connecting link in that chain of proof. I have some figures here showing the tonnage out of the various divisional points between Winnipeg and Port Arthur over the old Canadian Northern main line, and also between Winnipeg and Quebec over the National Transcontinental. I find on looking up these figures—and they are based on what is known as a 53 per cent engine—that the average tonnage from Winnipeg to Port Arthur via the old main line is 2,600 tons while the average from Winnipeg to Quebec over the Transcontinental is 3,205 tons, or 23 per cent more. That means that at the same cost per mile 23 per cent more grain can be delivered at Quebec than can be delivered at Port Arthur, so that the question of cost is all in favour of Quebec as against Port Arthur. In 1921, 219,000,000 bushels of Canadian wheat were shipped from the head of the lakes, and of this amount 98,000,000 bushels went out through American ports. In 1922, out of a total shipment of 278,000,000 bushels, 154,000,000 bushels went forward through United States ports. In 1924, 265,000,000 bushels were shipped out from the head of the lakes, of which 114,000,000 went to the United States. There is no doubt that some of this grain came back to Montreal from Buffalo, but unquestionably the great bulk of it found its way to the ocean and thence to Liverpool through American channels, resulting in a loss of millions of dollars of earnings to our National railways, millions of dollars in wages to our working people, millions of revenue to our ports, and as well a deterioration in the value of our grain through its being mixed in transit. Incidentally I may say that one of our grievances in the west has been that the grain which goes out through American ports is contaminated in transit. While it is given a grading certificate at the head of the lakes, and when it goes to Buffalo that grading certificate follows it to Liverpool, very often it is an entirely different grade when it gets there. That has an effect in setting the price for the grades that are bought back on the prairies, and as such is one of the farmers' grievances. I would not have hon. gentlemen from the Maritime ports think for one moment that the farmers in the west are not interested in diverting this grain through our own ports and having it sent to Europe by that route instead of the American route.

To deal a little further with figures, I may say that the Canadian Pacific rate from Goderich to Halifax, 1,305 miles, is 12¼ cents a bushel, considerably less than the prevailing prairie rate, or the rate from the prairies to the head of the lakes. The rate from Fort William to Halifax, a distance of 1,753 miles, is 21.3 cents a bushel, while the rate from Armstrong to Quebec, only 959 miles, is maintained at 20.7 cents a bushel. I may say, Sir, that we in the west are interested in this question for another reason. It is generally admitted that no large cattle trade can be built up with Europe under prevailing conditions. In 1923 the United Grain Growers made a trial shipment of 600 steers from Winnipeg to Liverpool, and they shipped those steers over the Transcontinental to Quebec. Perhaps it is almost unnecessary to recount the circumstances connected with that shipment. A large number of members of this House went to Quebec to see the cattle loaded, and I think all those members were impressed with the superior facilities provided at that port for handling cattle. We found that whereas at Montreal the cattle were unloaded miles from the dock, and when ready for the vessel had to be loaded again and shipped from the railway to the vessel, at Quebec they were unloaded directly at the dock and when ready for the ship were driven on board without any further handling. Any cattle man knows that all this extra handling and unloading is very detrimental to the cattle; it means a considerable extra shrinkage. We were told by one of the men in charge of these cattle that taking all these factors into consideration—and I may say that the running time of the train between Winnipeg and Quebec was eighteen hours less than a train could have made to Montreal—taking all these factors into consideration, he said, the probable saving per head would be not less than $5 in favour of Quebec as against shipping these cattle to Montreal. I have a letter here from the first vice-president of the United Grain Growers in answer to a letter I wrote to him asking for some facts in connection with this

particular shipment, and in part this is what he says:

> The approximate difference in the running time to Montreal and Quebec last year was eighteen hours. Naturally the longer the cattle are on the cars on a trip of this kind, the more they shrink. Further, it would be possible in a case of making trainload shipments to get through to Quebec with two feedings instead of three.
>
> This is not only a saving in feed but a saving in shrinkage as it is generally recognized that repeated loading and unloading is, within certain limits, of more injury to the cattle than benefit.

When we realize that the port of Quebec is 500 miles nearer to Liverpool than the port of New York, the question arises: Why is it that this prohibitive rate is maintained? The government tries to wash its hands of the responsibility. Of course we know that no government can do so. This government or any government stands condemned before the country for continuing this prohibitive rate, particularly in view of the fact that the country was burdened with an enormous expense to construct the railway—and I may say that it is one of the best constructed railways on the continent of America—for the exress purpose of delivering our grain at the port of Quebec and so saving a great deal of work on the St. Lawrence river.

Mr. MacLEAN (Prince): Whose fault is it that the freight is not routed over that northern route?

Mr. CAMPBELL: The fault is this government's, coupled with the management of the National Railways for maintaining a prohibitory rate.

Mr. MacLEAN (Prince): Has the shipper not something to do with the routing of his stuff?

Mr. CAMPBELL: The shipper has a good deal to do with it; but if my hon. friend were shipping a carload of wheat from Winnipeg, and he found that he could route it through the United States ten cents a bushel cheaper, he would not be likely to patronize the port of Quebec, and no other hon. gentleman would. Cattle cannot be shipped through the port of Quebec because they must be shipped in mixed shiploads. Part of the ship must be loaded with wheat or other heavy freight and the cattle are put on deck. As long as little or no grain is shipped through Quebec, it is impossible for us to use that port for our cattle.

Mr. POWER: This year all the sailings of cattle on the Canadian Government Merchant Marine for the months of May, June and July, are booked for the port of Quebec, and recently a shipload of cattle arrived over the Transcontinental and was shipped from Quebec. I do not know how many head there were.

Mr. CAMPBELL: Was that vessel loaded below deck with grain?

Mr. POWER: I do not know. I obtained that information just recently.

Mr. CAMPBELL: Probably those vessels will be handled in the same way that the particular vessel to which I have referred was. That vessel loaded at Montreal with grain. They had to put especially into the port of Quebec to take on the cattle. They were paid the full Montreal to Liverpool rate on cattle, and in addition they were paid a bonus of $600 for putting into the port of Quebec. Surely my hon. friend does not suggest developing his port in a way like that.

Mr. POWER: No. I am simply giving my hon. friend the information, in order that he may use it in his argument, that as a matter of fact boats are coming to Quebec for cattle this year.

Mr. CAMPBELL: If boats are going to Quebec for cattle, that means that they are going there considerably hampered and that the trade is being ruined in a way.

Mr. POWER: I agree with my hon. friend.

Mr. CAMPBELL: If we can make up mixed cargoes at Quebec and those vessels do not have to go to Montreal for cargo, that means a difference of $5 a head. That would make a very considerable saving to the farmers of the west, and that is the only way in which we can ever secure the market in the Old Country. We are talking about developing the cattle trade. It costs to-day over $40 to deliver a steer from Winnipeg to Liverpool, and about $45, I believe, from Calgary. Any farmer knows it is impossible to develop trade under those conditions. The difference of that $5 alone would mean that we might be able to build up a reasonably profitable trade.

Just why are these rates continued? Naturally when we see a discriminatory rate of that kind existing, we look around for a reason. I do not believe for one moment it is simply indifference or, as the Minister of National Defence (Mr. Macdonald) would indicate, that the government finds that it has not the power. There is something wrong there. It is ordinarily said that this is due to the influence of the port of Montreal; that Montreal is jealous of developing a rival and is determined that Quebec will not be

developed any more than the Hudson Bay route. I do not accept that altogether. Surely it is not advantageous to the port of Montreal to be sending hundreds of millions of bushels of our grain through American ports. If the port of Quebec would handle only one-half of the grain that is taken through American channels to-day, that would not hurt Montreal at all. But I think the crux of the situation is the rate. Lake shippers are concerned not so much about the volume of trade as about the profitable rate it pays. They would rather have a small trade at a large profit, than a large trade at a small profit. They are not particularly worried about discrimination against our ports. They are not concerned whether Montreal or Quebec or any other port develops. They are concerned with one thing only, and that is the amount of dividends they can pay. As long as they have a rate that is not settled by anything, as long as there is no maximum rate, as long as whenever there is a period of congestion they can raise those rates and tax us eight or ten million dollars extra, as they did in 1922 and in 1921, they are not concerned with handling a large volume of trade. That, it seems to me, is the crux of the situation. It is hardly believable that this government, that the management of the Canadian National Railways would be so much under the influence of the shipping combine as that. I can scarcely credit that. I have a little more confidence in our political institutions than to accept such a suggestion. Therefore, there is a responsibility on this government. It must be in a position either to defend or to condemn this rate. I have discussed this for the last four years with every railway official I have met, men who know what proper rates are, men who have studied this situation for years, and I have yet to run across a single railway official who will defend this rate. This government does not defend it. There is not a minister of the crown to-day who will say that it is necessary to maintain this rate. There is not an hon. gentleman on the Liberal benches who will say that. Sir Henry Thornton will not defend and has never defended this rate. In his answers to the Quebec Board of Trade, he gave them to understand that he was very sympathetic to a reduction of the rate, but his hands seemed to be tied. There is something in the way of giving us a reduction in the rate.

In conclusion, let me repeat what the hon. member for Victoria and Carleton (Mr. Caldwell) said. I am prepared to support this project, if the government will give us an assurance that they are going to permit trade to come forward to develop the port of Quebec. Further, I think I can say that every hon. gentleman in this section of the House will support this resolution if the government will give us some assurance that they are going to remove this discrimination against their own railway and the port of Quebec. But if they fail to give us that assurance, I for one must vote against it.

Mr. STEWART (Argenteuil): Why does the railway board permit an excessive rate? The hon. gentleman says that it is a discriminatory rate on that particular line. Rates are not a matter for the government.

Mr. CAMPBELL: I do not think that is a proper question to come from the government. That is something the government should answer.

Mr. STEWART (Argenteuil): The hon. member says that the government must interfere with the rate. The government will not interfere with the rate. That is a matter for the railway board. If there is a discriminatory rate, the railway board is very precise in dealing with it unless it is a statutory rate.

Mr. CAMPBELL: It certainly is a discriminatory rate. If the Minister of the Interior will look into the figures, I think he will admit and the Minister of Justice (Mr. Lapointe) will admit that it is discriminatory. This matter has been discussed by the railway board, and I have no doubt the government knows just what the railway board thinks about it. I cannot believe the railway board at a meeting discussed this matter without the government having some knowledge of it. The government has the responsibility.

Mr. STEWART (Argenteuil): Only in case of appeal.

Mr. CAMPBELL: In any case, the government has this responsibility right now, that it should refuse to vote a dollar more for development work at Quebec until that port has some opportunity of getting traffic.

Mr. STEWART (Argenteuil): I do not really think my hon friend can argue that only the traffic that comes over the Transcontinental comes to the port of Quebec. Because that is the only port at which the bigger ships coming up the St. Lawrence can

berth to-day. It must get some traffic; all the business coming up the St. Lawrence does not go to Montreal. I am not denying, of course, that if more traffic went over the Transcontinental it would not help the situation.

Mr. CAMPBELL: I am quite aware that we get a good traffic at the port of Quebec. But I think the minister must admit— particularly in view of the fact that we spend millions and millions every year to enable larger ships to go to Montreal—that we are doing something annually to take away trade from Quebec. Sometimes I think it was a mistake to ever develop the port of Montreal; that is my humble opinion. I think grain can be moved more cheaply to Quebec by railway to-day than it can be moved through the circuitous route over the lakes.

Mr. LAPOINTE: With much that my hon. friend has said I would not like to disagree. Indeed, he has used figures and arguments that I was going to use and I shall not repeat them. I think he and I might reach a common ground of understanding if he only uses a little good will. Personally I am willing to contribute my share of that good will. It is true, as my hon. friend said that when the Transcontinental railway was built the people of Canada were not only given to understand but were told that it would be used for the carrying of products from the west to the Atlantic ports, especially grain; that the distance by this route would be considerably shorter; that the grades would be much lighter, as they are; and that facilities would be provided at the ocean ports to handle all the traffic that offered. Indeed, pieces of land have been purchased on the waterfront of the St. Lawrence river from Quebec to Sillery by successive governments. This land was thus acquired by the country for that very purpose. However, I am free to admit that the promise made at the time has not been carried out to the extent it should have been.

Mr. HANSON: To what extent has the promise been made good.

Mr. LAPOINTE: Well, the road has been built but it has not been used in the way it should have been. I am quite willing to say that I agree with my hon. friend when he says the rate is much too high on the Transcontinental as far as the port of Quebec is concerned. Our western friends have always complained about it. In 1920 twenty-two senators and members of parliament representing the west wrote a letter to the then Prime Minister, Sir Robert Borden, dated Ottawa, 26th September, relating these facts, complaining that the rates were made so high as to prohibit the use of the Transcontinental railway from Winnipeg or Armstrong to Quebec and asking that sufficient additional grain storage be built at Quebec, Halifax and St. John to handle the business of Canadian grain "which we believe it would be possible to win back from New York if these suggestions are adopted." This communication was signed by the representatives of the west both in the House of Commons and in the Senate in 1920. In 1921, my hon. friend will see, steps were taken to try to redress what appeared to be a grievance. In that year the Harbour Commissioners of Quebec made representations to the Board of Railway Commissioners of Canada complaining about this rate, and an investigation was held by the board, presided over by the late Mr. Carvell, in Quebec city. I have here the evidence that was given at that time and the arguments advanced, and I find the extraordinary argument used by the then chief commissioner that apparently if the rates were reduced as conditions would justify their reduction it would mean ruin for the other railways and that this could not be done. I quote from the statement of the chief commissioner as reported at page 2755 of the record:

> I can hardly agree with that. If my conception of the National Transcontinental was right when it was started and when it was being built I think freight can be transported over that line at a figure which would mean the absolute ruination of other railways in Canada. If not we were all wrong and we were not justified in building it.

And then Mr. Commissioner Rutherford, as reported at 2756 says:

> This is something that has to be general in a very careful way. When we consider the elevator systems at Fort William and Port Arthur, the tremendous machinery created for the movement of that grain crop to introduce a revolutionary method like the making of a special rate on any one road would mean disturbing the whole movement of grain, such a disturbance as would bring about economic disaster for the time being.

The whole purport of the discussion between the representatives of the harbour commission and the board of trade and the commissioners was to that effect. It was practically admitted that the rate was too high, but to reduce it would have meant, according to some of the arguments presented, disaster for the other roads.

Mr. HOEY: Just before the minister leaves that point would he permit a question? Have the people of the city of Quebec ever appealed at any time to the Governor in Council against the discrimination?

Mr. LAPOINTE: I do not think there was an appeal from the ruling of the board at that time.

Mr. HOEY: Has there ever been an appeal?

Mr. LAPOINTE: I do not think so. I speak subject to correction but I think there was no appeal from the ruling.

Mr. POWER: There was an appeal to the government and there have been unofficial appeals. In 1920 a memorial was presented to the Privy Council at Ottawa by the mayor of Quebec, who was accompanied by a deputation of citizens. That memorial has been printed.

Mr. HOEY: When was that, in 1920?

Mr. POWER: On January 19, 1921. In that memorial the whole question of rates and of the harbour was discussed; it is a formal appeal.

Mr. SPEAKMAN: Was that a formal appeal from the decision of the railway commission?

Mr. POWER: No.

Mr. LAPOINTE: No, it was not. This was followed in 1922 by an investigation in the other chamber of this parliament. The late Senator Bennett took a prominent part in that investigation, and the report of the committee of the senate, which was adopted by the upper chamber, concludes as follows:

That the government be advised:

(1) To cause rates to be granted upon export grain over the Canadian National railways to Quebec, Montreal, Halifax, St. John and Vancouver such as would develop trade to the above ports.

(2) As a corollary to the recommendation in paragraph one, that necessary elevator accommodation should be provided by the Dominion at Canadian ports.

(3) To arrange with the marine underwriters or others in such a way that the marine insurance rates from Canadian seaports be as cheap as from the United States seaports.

So that the Senate also has found that the rates there were too high and recommended that steps be taken to have them reduced.

Mr. CAMPBELL: Judging by their recommendation, I think the Senate hold the same opinion as I hold, that the government had some responsibility.

Mr. LAPOINTE: I understand that the whole question of freight rates on railways is going to be discussed in this House, and I think that when the question comes up it will be the proper time to discuss it. My hon. friend would not ask me to give an opinion just now, but I may say that I agree with him that the rate to Quebec is too high, and if I can do something to reduce it,—if this has any effect on the decision of my hon. friend—I will tell him that I am going to try to help them to reduce it.

Mr. GARLAND (Bow River): May I be permitted to suggest to the minister that if that is his argument it would be advisable for him to withdraw this resolution until after the freight rates have been decided.

Mr. LAPOINTE: I do not think my hon. friend is logical in that position, when he knows that it would take five years to build the work which it is proposed to build with the money asked for by this resolution I do not think it would be advisable to wait until there is a change in the freight rates to do it.

Mr. CAMPBELL: Does the minister suggest that it will take five years to get the rates down to the proper level?

Mr. LAPOINTE: No. I hope it will be possible to do that in a day or in a few days, but it will take five years to complete the necessary development in Quebec, and for that reason it is urgent and important that we should proceed now.

Apart altogether from this question of grain, and a larger proportion of wheat and cattle being shipped to Quebec, there is the necessity for the development of the port, even for the traffic which is handled there now. I do not agree with my hon. friend when he says that there are already more than sufficient facilities at Quebec for the traffic. Every berth was rented and occupied during the last season of navigation. There is no space available for the new vessels, which would come to the port of Quebec.

Mr. CAMPBELL: If the accommodations are all used how is it they cannot even pay interest on the investment?

Mr. LAPOINTE: I am going to tell my hon. friend why; it is especially because the bulk of the traffic at Quebec is passenger traffic. Last year 75,000 people landed in Quebec and they did not pay one cent to the harbour commission. Every little box of goods which is carried to Montreal is paying a rate for the use of the wharf there, but all the people who travel to the other provinces of Canada, and who use the port of Quebec in landing, do not pay one cent to the commission.

9 p.m.

Mr. CAMPBELL: That bears out my argument that we should provide rates which

would enable those goods to be shipped through Quebec, and make that port the terminus of the ocean voyage instead of Montreal.

Mr. LAPOINTE: I agree with my hon. friend in that statement. I do not want him to believe that I am opposed to further use being made of the port of Quebec.

Mr. CAMPBELL: I do not suggest that for one moment.

Mr. LAPOINTE: But the hon. gentleman wants me to say why they have not paid interest. It is because the port of Quebec is a national port, used in the general interests of Canada, and especially for the passenger traffic, but it has not been a paying traffic. The harbour commissioners of Quebec have been applying to the government in many instances for their approval, and I believe they have enacted a by-law to remedy the difficulty, but the government has always refused to approve of such a by-law, because the steamship companies represented that it would hurt the St. Lawrence route and the traffic of these companies. The harbour commissioners of Quebec have passed by-law to impose a tax of one dollar on every immigrant and passenger using the port of Quebec when landing. It is done in other parts of the world. It is done in the continental ports of Europe where the traffic is especially a passenger traffic. I have seen that myself and read about it.

Mr. CALDWELL: Is that done in other Canadian ports?

Mr. LAPOINTE: I do not think it is.

Mr. CALDWELL: St. John or Halifax?

Mr. LAPOINTE: My hon. friend is talking about St. John. The hon. member is usually fair but he made a remark this afternoon about the Quebec Harbor Commission not paying interest, and suggesting that it should be charged compound interest. How much has St. John paid to the government for works built there?

Mr. CALDWELL: I suggested that the government should get the harbour commissioners to issue bonds to cover the unpaid interest, as they did in other cases?

Mr. LAPOINTE: Why not apply it to St. John?

Mr. CALDWELL: Surely.

Mr. LAPOINTE: The improvements have been built there by the Public Works department, not charged to anybody and nobody is complaining about it. Millions of dollars have been spent there and the very gentlemen who have been favoured in this way are asking that Quebec should be made to pay interest every year on every dollar that has been spent at Quebec. In Halifax everything has been built, I understand, by the Department of Railways and Canals, as part of the expenditure of the Intercolonial Railway.

Mr. CALDWELL: As far as the expenditure at St. John is concerned, I do not agree that it was all wise. I think there has been a development at St. John which is absolutely absurd and the expenditure upon which has been wasted. I refer to Courtenay bay. While money has been expended here, the place where we need the facilities has been starved. I am not blaming this government particularly; it has been done by several other governments in the past. I think the time may come when we will need Courtenay bay, but it was premature to spend so much money there and starve that part of the harbour of St. John that is really in use, and which needs more facilities.

Mr. LAPOINTE: I do not want to discuss the question whether the expenditure at St. John was necessary or not. It was a part of the system, and the same may be said of Halifax, where not very long ago about twenty million dollars was spent, which is a good deal more than all the advances which have been made to the harbour commissioners of Quebec. Nobody is complaining about them not paying anything to us, but the system has been introduced in that way. As far as the port of Quebec is concerned, the interest has been charged on works which were really national works in such a manner that it was absolutely impossible for the harbour commissioners of Quebec to make both ends meet and pay the interest on the advances which had been made. Let me instance one thing: The government of Canada—I do not mean this government particularly—has built a pier in the harbour of Quebec which has cost one million dollars. It was built by the Public Works department. The work has been transferred to the harbour commission, charged to the harbour commission as an advance or as a loan, interest being added every year on that million dollars, and for what purpose has this pier been used? Only for the purpose of the Immigration department of the Canadian government. The pier and the shed and the buildings there are used for no other purpose than the work of immigration; and we are

charged interest on the amount. We are not receiving one cent and we have been charged $1,000,000 on that pier, which as I say is entirely at the disposal of the Immigration department. I ask the committee, is that fair? Am I not right in the statement that this is a national port and should be so considered, and that we should not be constantly hearing about this amount of interest not having been paid on the investment of the government?

Mr. CAMPBELL: I was not particularly complaining of the failure to pay the interest. As a matter of fact I have a good deal of sympathy with the harbour commission and I think the present condition is due largely to the fact that the legitimate trade of the port is not properly developed.

Mr. LAPOINTE: I do not complain that my hon. friend has not been fair in that respect; far from it. The hon. member has put up a plea for a greater use of the port of Quebec which I could not equal, and I agree with him in many of his statements. I only wish that his conclusion had been as sound as his premises in this matter. Let me assure hon. gentlemen opposite that the large vessels cannot go above Quebec; whatever may be done in the way of dredging or otherwise vessels of over 16,000 tons will not take a chance on going above Quebec.

Mr. SALES: And yet it is proposed to spend $16,000,000 in an endeavour to take them past Quebec.

Mr. LAPOINTE: My hon. friend is not logical. He opposes, as he and his friends opposed the other day, any expenditure for the further dredging of the channel between Quebec and Montreal, on the ground that it would be a useless expenditure especially at this time; and they argue that the vessels should use the port of Quebec. If they were on sound ground in that regard at that time, are they logical to-day in opposing the necessary facilities for the use of the port of Quebec?

Mr. HOEY: If the minister takes that position, both votes cannot be justified.

Mr. SALES: Which one would you rather have?

Mr. LAPOINTE: Hon. gentlemen are not reasonable there either. Montreal is at the mouth of the canal system; it is at the head of navigation in that part of the country. I am free to admit that the bulk of the traffic, the larger portion of it, will always go to Montreal as far as this is possible. If the vessels can use the channel between Quebec and Montreal they certainly will go on to Montreal because it is always more economical to go as far as possible by water route. But there is room for the use of both harbours. Hon. gentlemen have admitted this, in advocating that as much traffic as possible should go through Canadian rather than American ports. But surely Montreal is not able to handle all the traffic alone.

Mr. SALES: Does the minister think that the country at this time has money for both of them?

Mr. LAPOINTE: I think the country at the present time must equip its trade routes as other countries are doing. There are other countries that suffered in the world war to a greater extent than Canada did, and they are building their trade routes and equipping their ports. This being the case, I do not think that a young and growing country like Canada can afford to neglect the proper development of its ports to handle its exports, the increase in which every year is something which we in Canada are proud of.

Mr. SALES: May I remind the minister that they are doing this and not attempting to pay their debts?

Mr. LAPOINTE: I think my hon. friend wants to be fair, and I have already explained to him that it was impossible for the port to pay under the circumstances that have been stated. If when amounts are asked year after year for public works, on ocean and river, there is a demand for some return on the money spent, I do not think that much will be voted under such conditions.

Mr. SALES: The minister misunderstood me; in the remark I made I was referring to nations that are developing their trade routes although they are not paying their debts.

Mr. LAPOINTE: It is of the utmost importance that our ports should be properly equipped for the handling of traffic. I regret any objection that may be raised against the development of the St. Lawrence route for the use of large vessels. I heard the statement made the other day that if large ships cannot go on the route we should have small ones. It seems to me that the tendency is to have all types of vessels in modern navigation; and the St. Lawrence route is one of the finest waterways in the world. We have so built it that much of the passenger traffic which formerly went through New

York is now going to Quebec and Montreal. It is necessary therefore that we should make it possible for all types of vessels to use the route. And it has been equipped for that purpose; it has a dry dock which is one of the largest in the world and in which all sorts of vessels can be repaired.

Mr. CLARK: Is the cost of the dry dock included in the total indebtedness of the commission?

Mr. LAPOINTE: No; it was built by the Department of Public Works.

Mr. CLARK: What is the cost of it?

Mr. LAPOINTE: I cannot say.

Mr. GARDINER: Has that dock ever been used?

Mr. LAPOINTE: It is used all the time. I cannot understand the lack of knowledge of some hon. gentlemen as to the conditions in the port of Quebec. That dry dock is used every week in summer if not every day, and it has been used by some of the largest vessels that go on the St. Lawrence route. It would be a pity if we had no such dry dock on the St. Lawrence. If hon. gentlemen think, as the hon. member seems to believe, that this dry dock has not been used, I can understand that they would be reluctant about voting for the present resolution. But I beseech the hon. member to make himself better acquainted with the facts. The dock, I repeat, is being used; and it is highly essential that it should be there. And when hon. gentlemen argue that the port of Quebec is the natural outlet for shipments to bring about a lowering of rates on the Transcontinental route, surely they will realize that this cannot be done, that the port cannot be used, if the necessary facilities for the handling of traffic are not provided.

Mr. GOULD: The minister is well acquainted with the letter which Mr. Scott, a member of the Royal Grain Commission, wrote?

Mr. LAPOINTE: Yes.

Mr. GOULD: Mr. Scott's whole plea, as I understand it, was to have freight alone sent to the port of Quebec; he makes no plea for extra facilities. That is the feature of his argument.

Mr. LAPOINTE: That is the main plea, but my friend should read some of the letters I have from Mr. Scott, when he would see that that gentleman claims this resolution is necessary.

[Mr. Lapointe.]

Mr. GOULD: Mr. Scott may be pleading for that too, but in the circular letter sent the members of the House he has not featured that part of it, and I think the minister who has charge of the resolution (Mr. Cardin) admits that extra facilities are not particularly necessary at the present time, that indeed the facilities now there are not being used. I recollect being at Quebec two or three years ago, and the harbour commissioners told me that they had facilities there sufficient to handle five times as much grain as was being offered.

Mr. LAPOINTE: Surely, I agree with that.

Mr. GOULD: If it is a question of charging immigrants, give the board license to do so, but use the facilities now there before asking this impoverished and groaning country to assume this further obligation. I want to remind the minister and the government again, as I did the other night, that we have a vast hinterland that is providing one and three quarter million dollars of federal taxation every year for the building of these harbours and ports, and the people there are groaning under the burden of taxation. We are simply pressing the objections of our people back home in opposing these extra expenditures.

Mr. LAPOINTE: My friend will understand that grain, important as it is—and I agree with him on that—is not the only thing, and if he asks my friend the Minister of Marine and Fisheries (Mr. Cardin), for certainly he has not understood the minister correctly, he will be told that although all the facilities are not being used there for the shipping of grain, they are being used for other purposes.

Mr. SALES: Mr. Chairman, the Minister of Justice (Mr. Lapointe) a few moments ago lamented our ignorance about conditions at Quebec. I do not think any group in this House has taken more trouble to travel over the country and find out local conditions for themselves than have my friends around me. We have been willing to do that at all times. If my friends from the province of Quebec can tell us that they have taken as much interest in the west, for instance, and seen for themselves the conditions there as my friends around me have taken to become personally acquainted with conditions in the province of Quebec and the Maritime provinces, I should like to hear it.

Mr. POWER: We do not have to travel; we take everything said by my hon. friends as gospel.

Mr. CAMPBELL: Is the hon. member ready to take what we are saying now as gospel?

Mr. SALES: I am glad to hear my hon. friend is converted, but it is only lately. When we went to Quebec we were very sympathetic towards their problems. I remember telling my friends when I was speaking to them there that the future of Quebec was tied up with the National Railways.

Mr. MEIGHEN: The National Policy.

Mr. SALES: No, the National Railways. When the minister talks of cattle going down to Quebec this year, I should like to know whether those cattle are paying the same rate from Quebec as from Montreal, Quebec being the shorter route by 214 miles. The minister seems to deplore our doubting whether all the facilities at Quebec are being used. I may say—and in this again I shall be supported by my friends around me—when we went to see the dry dock there we entered an immense workshop covering a city block in area, and there was half an inch of dust on every implement and only one or two men around the building. We were told that there had not been a ship in that dry dock. If my information was wrong, I cannot help it.

Mr. LAPOINTE: What time of the year was that?

Mr. SALES: I believe in June—May.

Mr. LAPOINTE: I think it was in May.

Mr. SALES: Perhaps it was. But that was the information we received, and we did not know any better. If it was wrong, I am glad to be corrected.

Mr. LAPOINTE: It was certainly wrong.

Mr. SALES: We found a big shed for the receipt of merchandise turned into a cattle dock with a great big pen built all through it. We asked why this had been done, and were told that no merchandise was received at the port of Quebec, it was all being carried on to Montreal. Now, the difficulty I find myself in is to know what to vote for, whether to vote this money for the harbour of Quebec to be developed, or to vote $16,000,000 to carry goods past Quebec. Both proposals cannot be right, in my opinion. But if they are both right, Mr. Chairman, I want to say that it is not a bit of use our talking economy either in this House or in the country and then making these expenditures. I find myself unable to support this proposal.

Mr. WARD: At this point may I ask the minister a question? Does he think that Canada should continue deepening her waterways and her harbours and building huge canals to satisfy the obsession of the shipping companies in continuing to build greater and still greater ships, while the evidence adduced before the Shipping committee is that these big ships are most uneconomical in operation, and that the smaller, slower ships are the cheaper to run? To me it would indicate that we are heading in the wrong direction.

Mr. CLARK: Mr. Chairman, will the minister advise me whether the ports of Vancouver and Quebec are national ports? Based on that I have another question to put to him.

Mr. CARDIN: Certainly they are.

Mr. CLARK: Before dinner I asked the minister for the total indebtedness of the port of Quebec, for the gross revenue and the net revenue earned by the harbour commission of Quebec, and for similar figures for the ports of Montreal and Vancouver. The minister stated that he would get those figures for me. Can he give them out now?

Mr. CARDIN: Mr. Chairman, I think my hon. friend misunderstood me. I promised him that I would get these details when we were in committee on the bill, because I had not the figures before me at the time and the officers had left the department. But I have some figures, although they are not a complete answer to the question of my hon. friend. The total expenditure on the harbour development in Montreal to December 31, 1924, was $39,732,992.52, and the total amount advanced to date to the Montreal Harbour Commission is $39,730,000.

Mr. CLARK: At what rate of interest?

Mr. CARDIN: At 3, 3½ and 5 per cent.

Mr. CLARK: Are those the same rates as are charged Quebec and Vancouver?

Mr. CARDIN: The rate charged Vancouver is 5 per cent.

Mr. CLARK: Why the difference?

Mr. CARDIN: The 3 and 3½ per cent rates apply to old loans, when the rate of interest was much lower than it is now. Upon the relatively recent loans the rate is 5 per cent everywhere.

Mr. CLARK: What rate is charged Quebec?

Mr. CARDIN: Five per cent. At Montreal there is no interest unpaid. At Vancouver the total expenditure on works of harbour improvement and development to December 31, 1924, was $11,513,269. The total advance to date has been $10,345,900, and interest unpaid, amounts to $225,291.49.

Mr. LADNER: Does that mean that there is some unpaid bond interest which has had to be paid by the government, or is it old interest for some years gone by?

Mr. CARDIN: It is for interest owing at the present time.

Mr. CLARK: I think some explanation of this might be given. Is it not the case that in respect to new works of construction in respect to which no revenue is earned, the interest accumulates as construction goes on?

Mr. CARDIN: I am informed that the country owes the harbour commission, at Vancouver, a certain amount for work which they have done, and when this money has been paid, the commission will be in a position to pay the interest.

Mr. CLARK: In other words, it is held back as an offset against money owing by the country to Vancouver, so that there is no default either at Montreal or Vancouver in the payment of interest?

Mr. CARDIN: No.

Mr. COOTE: Does the amount given as expended on Quebec harbour include the money spent by the Department of Public Works? If not, how much has been spent on the harbour by the Department of Public Works?

Mr. CARDIN: I have not the exact information at hand, but I am inclined to think that the amount expended by the Public Works department is not included in this.

Mr. COOTE: The minister has no information as to the amount that has been spent by the Public Works department?

Mr. CARDIN: I am afraid I have not that information here.

Mr. COOTE: Does the minister know that something like half a million dollars was voted for Quebec harbour last year through the Public Works department?

Mr. CARDIN: Yes.

[Mr. Cardin.]

Mr. COOTE: It is probable that a considerable amount has been spent by that department.

Mr. KING (Kootenay): There was a vote last year of $500,000 in the Public Works department for the harbour of Quebec. With the Minister of Marine and Fisheries and the Minister of Justice I visited the harbour of Quebec and it was thought better that that vote should be administered through the Department of Marine and Fisheries. Accordingly it was transferred to that department, and as I understand it the expenditure has been made under the harbour commission.

Mr. HOEY: How much of that was spent?

Mr. CARDIN: I have not that information, but I can get it for my hon. friend.

Mr. LUCAS: What new facilities are required at the port of Quebec?

Mr. CARDIN: I mentioned this afternoon what the expenditure was to be for. It is for the building of a wharf about 4,000 feet long, starting about 300 feet from the car ferry wharf; for the necessary dredging to provide a depth of 40 feet there, and for the building of sheds and the extension of railway trackage on the wharf.

Mr. COOTE: How much is this wharf expected to cost? Would the minister tell us also what are the present facilities at Quebec? What works have been provided with the money that has been voted in the past?

Mr. CARDIN: The facilities available at Quebec include the following: steamship berths: in wet dock, six berths of from 400 to 500 feet in length; in tidal harbour, four berths or from 400 to 500 feet in length; breakwater, four berths of 500 feet in length, or three berths of 700 feet in length, or two berths of 1,100 feet in length; Pointe-a-Carcy wharves, four berths—one ocean, two coasting and one bunkering; river St. Charles basin, seven berths of from 500 to 600 feet in length. There is a grain elevator with a capacity of 2,000,000 bushels, with marine tower, conveyors and grain galleries. Its loading capacity is 60,000 bushels per hour. It has also a grain dryer, a Richardson separator, and a bagging shed. There are also the following facilities and equipment for handling cargoes: four locomotives for switching cars; railway lines to all ships' berths and sheds; one 50-ton floating crane; cars and scows for removing ships' ballast; five locomotive cranes; city water,

electric light and power installations. There are landing sheds, cattle berth, coal capacity and bunkering. There is a cold storage plant with a capacity of 500,000 cubic feet, in connection with which a fish house and a power house are now in course of construction.

Mr. CLARK: Are the grain elevators charged against the harbour commission?

Mr. CARDIN: Yes.

Mr. COOTE: What quantity of grain was handled through the elevator during the last year or two?

Mr. POWER: Last year the total quantity received was 5,607,462 bushels, including grain in store at the end of 1923.

Mr. CARDIN: In 1924, the grain received amounted to 5,265,829 and the grain delivered to 4,540,616 bushels.

Mr. COOTE: What was the number of cattle handled last year?

Mr. CARDIN: 1,505.

Mr. COOTE: Any in 1923?

Mr. CARDIN: Over 5,000.

Mr. COOTE: What was the tonnage and what was the number of boats that have used the harbour at Quebec?

Mr. CARDIN: In 1924, 668 vessels inward and 98 vessels outward.

Mr. POWER: May I call the minister's attention to the fact that there must be a mistake there? There must have been more than 98 vessels outward if there were 668 inward.

Mr. CARDIN: Outward means from Montreal stopping at Quebec, ocean bound. The total net tonnage is 4,791,757.

Mr. COOTE: Does the minister say that all the berths that he enumerated a few minutes ago cannot handle 668 vessels? That seems inexplicable to a layman. Does the minister claim that they are short of wharf space now?

Mr. CARDIN: The information that is received from the harbour commission is that there are no more berths available for vessels of big draught.

Mr. COOTE: I know we can never provide facilities that will satisfy all the harbour commissioners, because we shall run out of money before we arrive at that happy position. I should like to quote briefly to show what some people in Quebec thought a few years ago they ought to have. In 1922 an hon. member from Quebec said:

> We have got a grain elevator, but it is only a small one and not of the capacity we should have in the city of Quebec. An elevator of the proper capacity in that city would be a benefit to the country as a whole. Our elevator has a capacity of 2,000,000 or 3,000,000 bushels.
>
> Sir Henry Drayton: A capacity of 2,000,000 bushels.
>
> Mr. Lavigueur: We should have an elevator with a capacity of at least 10,000,000 bushels. That is what we were promised.

The elevator that is there handled last year a little over 4,000,000 bushels. I should like to know what we would have done with an elevator of a capacity of 10,000,000 bushels, and how much more the Quebec harbour commissioners would be in arrears of interest if we gave hon. members from Quebec what they really thought they should have. From the information which I have been able to gather from the minister, I am unable to see that Quebec is very badly in need of this additional $5,000,000 for work in the harbour. As I said before, I have no doubt they would like to have a great deal more money spent and more facilities provided. We would like to have more facilities sometimes in other parts of the country. In the section from which I come we would like to have had, two years ago, some more railway cars. There were not enough cars to move the crop away. Some farmers had to build bins to hold their grain, and some who could not afford to buy lumber threshed the grain on the ground simply because they could not get cars to take it away.

Mr. POWER: Does my hon. friend think his section is the only one that suffers from shortage of cars?

Mr. COOTE: No. But when we complained, we were told that the railway could not possibly be expected to furnish us right away with all the cars we needed and that we should be content to wait a while. I think there was some reason in that, and I think the same answer should be given to the Quebec harbour commission; that we cannot afford just now to spend $5,000,000 on this harbour; but that when they show more business through the port of Quebec and when this country can afford it, we should vote the $5,000,000 or whatever is necessary. I do not think any justification has been shown for the vote. The speech that was made by the Minister of Justice (Mr. Lapointe) to-night sounds very much like the one which he made three years ago when $5,000,000 was granted to the harbour commission. They have come back and they seem to need the money quite as much as they did that $5,000,000.

Mr. POWER: It was not $5,000,000 three years ago.

Mr. COOTE: It was pretty nearly that.

Mr. MacLAREN: Were it evident that a large quantity of business was going through Quebec and that the export business was increasing, I think there would not be so much objection made apparent to this vote as there is. If it appears that a port is not being used to its full capacity and that a large volume of business is not being done through that port, it seems natural that an objection should be raised to the vote, and I quite see the force of it. We must, however, remember that the Transcontinental was built for various reasons, but that one important outstanding reason was that there should be direct transportation from Winnipeg and the west to Quebec for purposes of transhipment, and that most important of all this transportation was the question of grain. That expensive project was constructed largely for that purpose. We know now it has not been carried out. I think it should be carried out but it has not been. That, I think, is one of the reasons why objection was taken to the vote. It seems to me that Quebec has sound advantages, geographical and otherwise, such as should entitle it to a much larger volume of business than it is now receiving. It seems to me that the port of Quebec is particularly well suited for the transhipment of grain from Winnipeg and the west. Now, I would suggest to the government that they exert some pressure in this matter; it would be perfectly proper for them to do so. It is not a question of interfering with the management and operation of the Canadian National railways; the question involved is one of national policy for the country. When the government come and ask for this vote I think they should also be prepared to advise the Canadian National Railway board that the original idea contemplated by the construction of the Transcontinental railway should be carried out—that is to say there should be a substantial transportation of grain and other products from the west through the port of Quebec. I think the government have got this matter in their own hands. They should prove, what we believe should be established, that Quebec is capable of carrying on a large part of the export business of this country. I believe that if that fact were made evident—if it were made evident that the facilities which the government are asking for can be used and are going to be used; if there is substantial evidence of the port being employed in the way originally proposed and in the manner which I think Quebec merits, I believe a large section of this country are willing that Quebec should be properly equipped, because such a proposal would not only be fair to Quebec but would help to solve the transportation problem of this country.

Mr. GOOD: It does seem to me that under the circumstances the government would be well advised to allow the committee to rise and report progress, and consider this matter later on in the session—

Some hon. MEMBERS: No, no.

Mr. GOOD:—after the freight rate question has received some consideration. We would then be in a better position to decide this question than we are to-night. I would very seriously submit to the government the propriety of so doing. I should like also to remark that personally I would have less reluctance to support this and other similar votes of money if we collected our revenue from the people of Canada in a different way. By the method we are following at the present time we are taxing industry and penalizing thrift and enterprise, and under those circumstances I have very little satisfaction in supporting any vote of money for what is, perhaps, in itself a very useful thing. I do not care to develop that idea any further at the present moment, but I do think the members of the House should seriously consider the relationship of expenditures to our methods of collecting taxation—the incidence of taxation. If we were to impose a different system of taxation it might not, perhaps, be a hardship upon this country to vote this amount of money and other large sums for similar development purposes. I may remark also incidentally that it seems very unfortunate that we should be confused as to the expenditure of money for this kind of work, sometimes through loans to harbour commissioners, sometimes through the Department of Public Works, sometimes through the Department of Marine and Fisheries; sometimes through the Department of Railways and Canals, and so on. We have asked to-night for information as to what amount has been spent in the port of Quebec under the Department of Public Works, and what amount of that has been charged up to the harbour commissioners. We have not got that information. There seems to be a good deal of confusion on the subject, and I think it would be certainly very informative to the committee if,

before the matter is finally disposed of, we could have definite information as to how much is spent through these various departments. I should like to know, for instance, as to the expenditure in the port of Quebec under these different departments. May I again submit to the government the propriety of letting this matter stand and possibly we will have further information. Later on in the session some of us might feel disposed to support the project whereas now we will have to oppose it.

Mr. MACDONALD (Pictou): I desire to point out that this proposal is in the initial stage. It is a preliminary resolution that is being discussed. Questions have been asked and information has been given, and further information will be given later or at any stage. There does not seem to be any reason why this resolution should not pass. Later on a bill founded on it will be introduced and then there will be ample opportunity to discuss it fully.

Mr. GOOD: If this resolution passes will not the House be committed to the granting of this vote?

Mr. MACDONALD (Pictou): No, the House is never committed at any stage with regard to any matter by the passing of a resolution. The bill founded upon this resolution has to be introduced and after it receives its second reading the House goes into committee on the bill, and the whole matter can be dealt with without any commitments one way or the other.

Mr. COOTE: Does not the passing of the resolution indicate that the House is favourable to the proposition?

Mr. MACDONALD (Pictou): If the majority of the House wants to defeat a bill at any stage it can do so.

Mr. GOULD: In taking that attitude the Minister of National Defence is resorting to strategy. The same attitude has been taken with regard to other measures brought in during the last five or six years and to my recollection the second reading of a bill has never been defeated after the resolution upon which the measure was based had been adopted.

Mr. POWER: Possibly owing to the lack of perseverance on the part of its opponents.

Mr. GOULD: That may be, but it only goes to establish that the adoption of such an attitude by the minister is a piece of strategy, but it will not prevail in this case. I wish again to refer to certain statements in a letter written by Mr. Scott, being reminded of the necessity for doing so by the statement of the hon. member for Mackenzie (Mr. Campbell) when he alleged that there was discrimination against the port of Quebec in not providing sufficient traffic for the Transcontinental railway. It seems to me, according to the statements contained in the letter in question, that in the year 1904 when the Transcontinental railway was undertaken the railway company made an agreement with the Canadian parliament to provide all the shipping tonnage for the ports of Quebec and Montreal that would be necessary to accommodate the freight the railways might bring to those ports. When the government took over that line, according to the letter in question, it assumed all the obligations that the railway company had entered into. Consequently the failure to deliver the requisite amount of traffic to the port of Quebec is directly chargeable to this government. Let me point out this further fact: Only a few days ago hon. members from this corner of the House pleaded with the government to revalue the land of the soldier settler but the government were not responsive to the demands of the men who fought overseas; they declared that times were too hard to carry out such a policy. This lack of response of the government will be a dire disappointment to the soldier settlers. I do not think that the principle of soldier settlement was looked upon by parliament when it was adopted as an investment, but rather as a means of bringing peace and contentment to the country. Now the government are regarding the policy from an investment point of view, and they are asking the soldier settlers to repay in dollars and cents, by the expenditure of blood and sweat, moneys which were voted by this House for the purpose of pacifying the people. The government to-night is asking five million dollars to provide facilities in a harbour which already possess more facilities than are being used. Under the present condition, with our huge national debt, with no facilities afforded the people in the western country, we are asked to vote this large sum to the Quebec Harbour Commission. We know that when we have made a request for the construction of some small branch lines of railway we are told that there is no money available. Many electoral districts in this country are getting along without even a brick or a stone.

Mr. CANNON: How much did we vote last year for branch lines? Was it not thirty million dollars?

Mr. GOULD: Yes, distributed all over Canada. What does thirty million amount to when distributed all over the Dominion? I have six starving men driving on mail routes throughout my district, men working for fifty per cent of the money they earn; and yet I am asked to take the money raised by a federal tax paid by my people and spend it on this Quebec harbour.

The CHAIRMAN: I suggest that the hon. member is not debating the resolution before the House.

Mr. GOULD: Why?

The CHAIRMAN: Because it seems to me his remarks are beside the question.

Mr. GOULD: I am drawing my conclusions, and when hon. gentlemen interrupt me and speak about these branch railways, I am answering; it was not my suggestion. I just simply replied to them. The proposition is that the revenues that are taken from the hinterlands are to be put into sink holes of harbours which we do not require at the present time. When I listened to the recommendation of the Quebec harbour commissioners which the minister read I was persuaded that they had to go far afield to try and find reasons why we should vote this money. I am utterly and diametrically opposed to the expenditure of this money in the Quebec harbour at this time.

Mr. SPEAKMAN: It gives me no pleasure —and I will admit it—to assume any adverse attitude towards this vote. I have visited the city of Quebec I think three times. They have treated me very well and I like the city and the people; but I feel that I would be derelict in my duty if I allowed myself to be influenced by sentiment in something which must be a matter of business. If it were merely a question of sentiment, merely a desire to please or to help people whom I like, I would be delighted to do what I could. But I want to look at the question in a business way. As time has passed and I have become more acquainted with the country as a whole, travelling through it and getting to know it better, seeing the results of public expenditure during the past twenty or thirty years, and considering the condition of indebtedness in which we find ourselves and the constantly increasing burden of taxation,—because in spite of some reductions at times the burden is increasing and must increase as long as capital indebtedness increases—I have made up my mind that I would vote for no large capital expenditures unless one of two conditions was present, but if one of these conditions were present I would vote for it. In the first place I would vote for a large expenditure of public money by way of loan if it were a loan pure and simple; that is if the money were invested in such a way that the principle and interest would be returned to the government. I do not look upon that as an indebtdness but as an investment. Now is this condition present here? I hardly think that the history of the past would warrant such a conclusion. I am offering no criticism to the harbour commissioners of Quebec on account of the fact that they have not made the interest payment. I realize the situation there, the nature of the investment and the impossibility of making payment of either sinking fund or interest; but the fact remains that, in the light of the past financial history of the country, we cannot look upon this five millions as a direct addition to the national debt of the country, upon which they must pay annual interest. The other condition is this: if growing conditions and the demands of business imperatively called for such an expenditure, so that it was impossible to carry on the business of the country without it, and if the indirect benefit of the country through that expenditure would repay the country for that loan or that indebtedness, whether repaid directly or not, then I would support it.

10 p.m.

I would again frankly state that I have not been convinced either by what I have seen in Quebec—and I will admit that my personal knowledge and what I have heard to-night are superficial—that under the present business situation of the port and with the present tonnage offering the expenditure is warranted at this time. If, as has been suggested traffic conditions were such that we could reasonably expect a large and steady growth in the tonnage there, I would vote now for the expenditure; but as it is, as we have no such assurance, as we have simply to rest our case upon the experience of the past, I shall vote against it. When the time comes that the expenditure to my mind is warranted, when I see those conditions which I think are necessary to warrant the expenditure fulfilled, I shall be glad to support such a resolution if brought forward.

Mr. BELAND: I cannot say how deeply I regret the fact that we are not enjoying the support of some of the hon. members whom I especially esteem in this House, and who represent part of the country which, in my humble estimation is going to profit in the future more than any other part from the development of the facilities in the port of

Quebec. I say that in all sincerity because I am convinced that, though up to the present time an actual lack of facilities has not been evident in the port of Quebec, the time has come when our attention is called to the fact that in many respects the present facilities are taxed to their capacity. It has been pointed out this evening by the minister in charge of the resolution that no more berths are available for new ships. I do not belong to Quebec. I have no personal interest in the development of Quebec, except as a Canadian at large, but it has been my privilege to observe the conditions in Quebec at close range during the last few years, and for that matter during the last twenty-five years. What are the conditions prevailing to-day in the port of Quebec? We have reached a point when it is expected that a large portion of the grain of the western part of Canada will be shipped by way of Quebec. It has been represented this evening that it was impossible to ship the grain through Quebec on account of the high freight rates prevailing. We agree that if the rates are maintained at the present level it may not be possible to use the port of Quebec for the export of grain to the extent to which we should use it, but we feel certain that within two or three years a very large amount of grain will be carried through the port of Quebec. The works that are contemplated there will spread over four, five or six years. Now, what would be the conditions in western Canada three years hence if we had some forty or fifty million bushels of grain to ship through Quebec and the facilities were not available? I can hear my hon. friend from Red Deer (Mr. Speakman), I can hear my hon. friend from Saltcoats (Mr. Sales), and other hon. gentlemen, condemning the powers that be for such a situation. Some hon. gentlemen may say that such a condition will not arise, but others may take the opposite view; it is a matter of opinion. It is a fact that the cattle trade through Quebec has lately increased considerably and it is foreseen even by hon. gentlemen who criticise the resolution that this increase will continue. I do not think there is a man in the House who will contend that the port of Quebec is not to-day marked for a very large export trade in cattle.

Now, my hon. friend (Mr. Sales), whom I always like to hear, to-night presented the minister in charge of the resolution (Mr. Cardin) with this dilemma: he said, which of the two ports will you favour, Montreal or Quebec? But what is the situation as regards the St. Lawrence route? We all know that there is no water highway throughout the world that is comparable with the St. Lawrence, with Montreal at its head, for ocean-going ships. It has been suggested particularly by my hon. friend that it is difficult to understand how such a large amount of money could have been spent between Quebec and Montreal. Well, the maintenance of the St. Lawrence channel between Montreal and Quebec calls for a very large expenditure each year. Why? Because the bottom of the river is not smooth except for a very short distance; and as every hon. gentleman knows, as in the case of every river bed in which there is any great quantity of sand, if dredging operations are not carried out summer after summer the channel must before long be absolutely unfit for use by sea-going vessels. That is why the money is spent on the maintenance of the route between Quebec and Montreal.

I do not think that anyone would for a moment contend that we should close the port of Montreal. I belong to the district of Quebec, and if my own interest in the port of Quebec were at stake I nevertheless would immediately take the ground that it would be altogether unwise in the national interests to close the port of Montreal. It must be kept open as it is to-day; and to keep it open it is necessary to spend the money that is now being spent upon it, even if you increase the debt. Large vessels are coming up the river to-day with Montreal as their destination; and on the St. Lawrence route there are still larger ships that cannot go further than Quebec. And the number of these ships is increasing year by year, so that to-day not another berth is available. And what about Quebec? The question is asked, "If you have so much traffic in Quebec, why do you not pay the interest on the debentures, on the advances that have been made to that port?" That is a proper question. But hon. gentlemen must realize that Quebec is the main immigration port of Canada. What part of Canada during the past twenty-five years has benefited by the immigration that has gone through that port if not western Canada? What benefit has the city of Quebec derived from that large immigration that has favoured our shores? Nothing, practically nothing. The flow of immigration year in and year out during the last thirty or forty years has invariably taken train immediately and made its way towards the fertile plains of the west. That is the situation. A review of the immigration statistics shows that more than 175,000 immigrants have been inspected at the port of Quebec within a year. Last year we inspected about 75,000. Now, this is not a paying proposition; as the Minister of Justice (Mr. Lapointe) has pointed out, Mont-

real gets a fee in connection with almost everything that is landed there, whilst the port of Quebec receives absolutely nothing for the handling of immigrants.

Mr. CLARK: Where are the supplies, food and so on, purchased for the immigrants?

Mr. BELAND: The immigrants stay there an hour or two, or three hours at most. I can assure my hon. friend that if the city of Quebec had to depend for its existence upon the food that is sold to the immigrants it would be pretty lean and meagre looking now.

Mr. MANION: Is the city of Quebec itself put to any expense in connection with the immigrants?

Mr. BELAND: The city of Quebec itself is not put to any expense, but it is the gateway through which the immigrants that go to my hon. friend's part of the country and mine enter Canada. It is therefore a national port in this sense.

Mr. CLARK: Would the minister suggest that they be taken to Montreal?

Mr. BELAND: They do not go there; I do not know why, but they have never done so. Last year 446 immigrants were examined in Montreal, which has not the facilities to take care of the immigration flow. It would be a great mistake to have two ports equipped on the St. Lawrence for handling immigrants.

Now, why should we not take steps to cope with the immense trade which, in my opinion at any rate, is surely coming to the port of Quebec? Why should we not provide facilities even two years in advance? As a matter of fact, there are not adequate facilities for this very summer. The harbour board is composed of men of outstanding reputation in the business and commercial world and they have submitted a plan and explained it, supporting it by every possible argument that could be advanced. And that is not all; the shipping federation of Canada has endorsed the scheme. If all the facilities are available, if all the shipping companies at present have everything that they can wish for, then I ask pertinently, why should they enthusiastically and forcibly endorse the scheme? Is that all? It is not. What about the president of the National Railways, Sir Henry Thornton? In a memorandum written in March, 1924 he supported this very development. What about the president of the Canadian Pacific Railway, Mr. Beatty? He, too, in a memorandum endorses this scheme. Does this mean that the Canadian National Railways and the Canadian Pacific Railway touch Quebec only? No, both systems have terminals in Montreal; but they also have terminals in the city of Quebec. So it is not a case of favouring Quebec as against Montreal, or of favouring the development of one part of the country as against another part. It is because in their hearts those gentlemen are convinced that those developments are in the national interest that they endorse them. Certainly anything that is in the interests of the railways is, in almost every instance, in the interests of the country generally.

Mr. LADNER: Does the minister think that the Canadian Pacific Railway, under present conditions and as a business enterprise, would spend that amount of money?

Mr. BELAND: I think they would.

Mr. LADNER: Seriously, though?

Mr. BELAND: Seriously, I think they would—if they were in charge of the port of Quebec.

Mr. LADNER: I mean as a business proposition.

Mr. BELAND: Of course, because they do not proceed upon sentiment.

Mr. MANION: Like the government.

Mr. BELAND: I tell my hon. friend that this is not put forward on sentimental grounds, it is a question of national interest.

Mr. LADNER: It is a political question.

Mr. BELAND: It is a national question. In what sense is it a political question? It cannot be a political question. Does my hon. friend think that this assistance to the port of Quebec is necessary for my election?

Mr. LADNER: I tell the minister there is not a fact presented to the House as to the present revenue, the past revenue or the prospective revenue in comparison with the capital expenditure that would warrant any sound, sensible, business man expending that amount of money now in the face of our national debt, and only political expediency before an election would cause this government to bring forward the proposal.

Mr. BELAND: My hon. friend is absolutely unfair in his contention. It is not a question of political expediency. There is no reason in the world why it should be. Does my hon. friend for one moment contend that candidates in the district of Quebec require this for their election?

Mr. LADNER: They are told they will not be elected if they do not get it.

Mr. BELAND: I know better. My hon. friend may be sure of being returned at the next election, but I tell him that all my colleagues from the district of Quebec are ten times surer that they will be returned. This shows that there is no political expediency in connection with the proposal.

Mr. MANION: Is my hon. friend influenced by the fact that political expediency is one of the reasons for this proposed expenditure?

Mr. BELAND: You may leave that aside; there is no political expediency involved.

Mr. WOODSWORTH: The hon. minister (Mr. Béland) has made an eloquent appeal on behalf of this proposed expenditure and has claimed that it is justified for business reasons. On what grounds does he base his prophecy that enormous business is going to be developed at the port of Quebec within the next year or two? So far as I have heard, he has not yet given any substantial reasons for this prophecy.

Mr. BELAND: I am sorry my hon. friend has not paid any more attention to my argument, because I have attempted to show—and I think it is easy to do so—that there is a railroad connecting the western country directly with the port of Quebec—the Transcontinental.

Mr. WOODSWORTH: That is not a new thing by any means.

Mr. BELAND: It is exactly because it is not a new thing that my hon. friend should know about it. Why should he ask me upon what I base my prophecy that the port of Quebec is going to be a great grain exporting port? I base it on that very assumption, that the Transcontinental will be used for transporting grain to the port. I know many hon. gentlemen on the other side, and with respect to freight rates I am simply their pupil, for I do not profess to be an expert on the subject; but I have consulted many men who are in a position, I think, to give an opinion worthy of consideration in this regard, and I have not met one that has not prophesied that the port of Quebec will be a grain exporting port before many years. It is the wish of every hon. gentleman representing western Canada—they have so expressed themselves this evening—that Quebec shall be the natural port for the export of western grain. I thank them for their expression of sympathy with the port. This wish of theirs is going to be realized, and the part of Canada which will profit the most by it will be the west. Thereby the other parts of the Dominion will also profit, because if the great western country is prosperous and thriving by the expeditious shipping of grain through Canadian ports at reasonable rates, a great agricultural development will follow there. Then who would say for one moment that the rest of Canada is not going to be also prosperous and thriving?

Now, I say both ports are necessary to the development of Canada. I refer only to Montreal and Quebec, Mr. Chairman, because this evening we are confined to a consideration of the St. Lawrence route. Had I an opportunity, I could also say something about the port of Vancouver, the port of St. John and the port of Halifax. But, as I say, our discussion to-night is confined to these two ports, and I repeat, they are necessary and should be developed. If they are developed as we think they should be, not only Quebec and Montreal will profit but the Dominion at large.

Mr. McBRIDE: Mr. Chairman, I have no fault to find with the port of Quebec in any way. Indeed, I think the harbour board is to be complimented on their confidence in the port. Certainly if they and the people of Quebec have not confidence in it, it will never amount to what every true Canadian would like to see. But I do take exception to one thing and that is the voting of money year after year to develop the port of Quebec while we are not voting similar assistance to other ports. Let me give an example of what I mean. In Vancouver the coastal shipping dues have been trebled as compared with what they were ten years ago to provide money for interest and sinking funds. Has the port of Quebec done that? We cannot bring in a yard of sand or a barrel of lime at Vancouver without paying a tax to the harbour board. Indeed, you can scarcely run a sailing boat into Vancouver without paying a tax. If Quebec would tax those who use their harbour along these lines, would it not be possible for them to pay interest on the money that this government has been advancing for the development of that harbour? I think the government is justly entitled to lend money for the development of the port of Quebec, and that it is in honour bound to pay all the expenses in connection with the immigration sheds and similar accommodation there. I think that the government is also in honour bound to dredge the St. Lawrence up to Quebec to permit the largest ships afloat to reach that port, but federal assistance should stop there, and the harbour board should raise revenue by taxing those who use the harbour, to pay interest and other charges, for the development of the harbour.

Mr. LADNER: As a member of this House I would be remiss in my duty to those whom I represent if I did not say something in protest against this vote. I do not wish my remarks to be taken as indicating that I object because the vote is given to some other place than Vancouver. My protest is based upon the simple proposition that this is not a business venture. Most of us who went before the people in 1921 told our electors, upon our word as gentlemen and as candidates, that we would come down here and endeavour to practise economy in our national affairs. Certainly that principle has not been followed in this case. Indeed, the proposal is not based upon the actual business demands either of the port or of the province. We have the figures before us—the minister has given us quite a number; and we have received information from other sources. We know perfectly well that there is no prospect of our ever getting back a cent of principal or interest so far as this advance of $5,000,000 is concerned. We know that because we have the experience in relation to the amount of traffic that goes through the port. We know that $14,000,000 odd have been expended on the port. We know the huge accumulation of arrears of interest. In fact, the information that has been placed before the committee proves beyond reasonable doubt that there is no prospect of revenue from the port in relation either to the existing capital expenditures or to the additional $5,000,000 which the government now proposes to expend there. I submit to the minister and to the members of the government that it is votes of this kind which cause the rank and file, the masses of the people of this country, to look upon the actions of parliament as scandalous. It is votes of this kind that bring parties, governments and parliamentary institutions into contempt before the sensible people of the country.

An hon. MEMBER: Order.

Mr. LADNER: There is no question of order about that.

Mr. CANNON: My hon. friend has no right to make any such allusion to legislation before the House.

Mr. LADNER: If the hon. gentleman is over-sensitive about my contention it shows I have made my point. He should change his view on the vote. I speak in all sincerity, because it is a serious matter. If it was a case of spending money as it would be spent on the harbours of Montreal and Vancouver, where dues are collected from the people and where interest is paid on the capital, there would be a good reason for the proposed vote.

Mr. POWER: Who told the hon. gentleman that boats coming into the port of Quebec do not pay dues? Where did he get the information?

Mr. LADNER: Who told the hon. gentleman that any statement was made that they did not pay dues?

Mr. POWER: The hon. gentleman has just said that the people of Vancouver and the people of Montreal do pay dues. They pay them in Quebec just as well.

Mr. LADNER: They pay sufficiently heavy dues in these other two ports to enable the people to provide interest on the investment and make the proposition a business one.

Mr. POWER: We would be able and are able to provide interest on our investment if we were allowed to charge the dues.

Mr. LADNER: The hon. gentleman knows perfectly well that at the port of Quebec they do not pay interest on the investment and that there is no prospect—

Mr. POWER: We do pay interest on the investment.

Mr. LADNER: He knows that there is not the business there that would warrant the collection of dues that would pay interest on the investment.

Mr. POWER: On the contrary, I absolutely deny what the hon. gentleman says.

Mr. LOVIE: It does not reach Ottawa.

Mr. POWER: It does not reach Ottawa because we have not the right to charge it. We are running a free port for the benefit of Canada.

Mr. LADNER: The hon. gentleman must know that the gross revenue of the port of Quebec last year was $500,000 odd. How could you pay interest on $14,000,000 out of that after paying operating expenses?

Mr. POWER: We would not owe $14,000,000 had we been allowed to make the proper charges and if the government would accept our charges.

Mr. WARNER: Who is preventing that charge from being made?

Mr. POWER: Every government since confederation has told us that the work we do is in the national interest and that we must not charge for it.

Mr. LADNER: Nothing can better substantiate the soundness of my argument than the extreme sensitiveness of one of the members from that section of the country who knows what political effect this will have on his future. I say that this vote of $5,000,000 is placed before parliament to-day, a few months before a federal election, designedly for political purposes; I can see no other reason. A few years ago we had an expenditure there—two years ago—of at least a million and a half, I think—

An hon. MEMBER: Four millions.

Mr. LADNER: Yes, four millions. It is a pretty expensive way, if that is necessary, of preserving the good-will of that section of the country for the government. When hon. gentlemen review the taxation of the country and the protests which nearly all of them must receive from all sections of their constituencies—

Mr. CANNON: Did my hon. friend hold similar views as to economy when the Esquimalt dry dock was being built in British Columbia and money was squandered?

Mr. LADNER: Well, that suggestion is an attempt to get away from the point we are considering. I was not a member of the House at that time, but from information I have had I should say that the expenditure is warranted, because there is no dry dock there.

Mr. CANNON: Where has the money gone?

Mr. LADNER: Since the authorization of the construction of that dry dock there has been a tremendous increase in the number of deep sea vessels calling at ports on the Pacific coast, and without that dry dock there would be no way of looking after these large boats.

Mr. CANNON: My hon. friend has just said there was no dry dock there.

Mr. LADNER: The Canadian Pacific have lately brought to the coast several vessels—the Empress of Canada, the Empress of Asia—

Mr. POWER: Does the hon. gentleman say that these boats were built since the dry dock was built?

Mr. LADNER: I say they came there since.

Mr. POWER: Then is it not reasonable to suppose that boats will come to Quebec after these proposed works are carried out?

Mr. LADNER: They came to the Pacific coast knowing that these facilities would be provided.

Mr. CANNON: The dry dock has never been used. My hon. friend knows that.

Mr. LADNER: It is not finished; of course it cannot be used. But we will have the ships there when we have a dry dock of that kind to take care of them. But I am not discussing the question of the Esquimalt dry dock. If a mistake was made, it does not justify a second and a worse mistake at this time. I ask hon. gentlemen to look at the increase of our national debt since 1922 and realize what it means in taxation. Then look at the income tax and compare it with that of the United States; it will be noted that ours is two to six times as high as theirs. Then take the deficits of the Canadian National—$54,000,000 last year. Then consider $106,000,000 being poured every year into the Canadian National. We have increased expenditures, business depression, uncertainty throughout the country, the public in suspense, yet here is a proposed expenditure of $5,000,000 on facilities that are not required, with Montreal near at hand to provide in the event of emergency the facilities for export. After all, as my hon. friend (Mr. Beland) remarked, the main purpose of these facilities is for the grain trade. The grain trade has been carried on in this country for a number of years and we have got along all right. I put it to the members of the government in this way: As a private business proposition involving their own personal money, would they proceed with this venture? Would they go ahead with such a proposal as is made here to-night? No, they would not do so as private individuals, but as politicians, as representatives of a political party, they would spend the taxpayers money lavishly on the eve of a federal election for political reasons.

Mr. CARDIN: I cannot agree with the hon. member for Vancouver South (Mr. Ladner). I think the same reasoning that he used a few minutes ago could have been used and was used by some hon. members when money was being asked for Vancouver. Money was spent at Vancouver, not after the traffic had come to Vancouver, but in order to provide facilities so that traffic might come to that port. If objection had been raised at that time along the same line that the hon.

gentleman has followed, I think it could have been refuted by a similar answer to the one that I can give to him, that the money that the government proposes expending is to provide facilities that will attract trade to Quebec, which is a natural port. To-day the government has the justification for the money that has been spent at the port of Vancouver, and I hope it shall have the same justification, when the amount actually asked will have been spent at the port of Quebec, to increase the facilities there, in order to take care of the large and increasing traffic that will come to that port.

Mr. LADNER: Is it not the case that facilities have existed at Quebec for quite a number of years, but that results have not come? We have the experience there.

Mr. CARDIN: The facilities which have existed at the port of Quebec have been inadequate and they have been pronounced to be inadequate, as they still are to-day, by those who are supposed to know something about shipping matters: I refer to the shipping federation, whose headquarters are in Montreal. The government has to rely upon somebody for information. It has to give consideration to the representations of some people, if it wishes to take action. We are all laymen and we are not in a position to judge exactly the condition of affairs. We have to refer to men who are in a position to know conditions and to pass judgment upon them. The government holds the report of the harbour commissioners of Quebec, who are men of outstanding reputation, and they have declared in a statement, which I have placed before the committee, that at the present time all the berths now available at the port of Quebec are occupied and that, supposing a new big boat decided to come to Quebec to-day, no berth is available at that port to receive it. Besides, the government has obtained from the shipping federation, the most influential shipping body in Canada at this time, a very strong approval of the proposed plan of the harbour commissioners at Quebec. The shipping federation, which has its principal place of business in Montreal, says in very distinct terms that the present facilities at the port of Quebec are not adequate, and that in Quebec they are not in a position to deal with the new and increasing traffic that can reasonably be expected for that port. There have been complaints about the railway rates. Let me tell hon. gentlemen that the people of Quebec have often made representations to railwaymen, asking for a reduction in the rates; that Quebec be treated more generously by the railways. The answer has been, privately, I may say: You have not at present, in the city of Quebec, sufficient facilities to handle all the grain that we could carry to that port. This answer is absolutely justified. At present, there is only one elevator which is not sufficient to handle all the grain which could pass through that port if the rates were reduced.

Mr. LADNER: Is part of this money going into another elevator?

Mr. CARDIN: Certainly. That is part of the programme. If my memory serves me aright, it was said by a member of the recent grain inquiry commission that the port of Quebec, with its present facilities, is not in a position to handle all the grain traffic that could come to it, because it has not sufficient storage facilities.

Mr. LADNER: If all this business is there, how does the minister account for the small revenue?

Mr. CARDIN: The business is not there.

Mr. POWER: It is not revenue producing.

Mr. CARDIN: The business is expected when the developments shall have been carried out just as the business was expected when developments were carried out at Vancouver.

Mr. LADNER: I am referring to the facilities which now exist which the minister says are over-crowded. If that is so, why do they not provide a revenue? If that is not a paying proposition, how can this further amount of $5,000,000 be a paying proposition?

Mr. CARDIN: It has been said by people who are conversant with conditions at Quebec, that the facilities there are too great and, on the other hand, that they are too small, that there are not the proper facilities for handling the traffic which was intended to pass through that port. I think we are losing our time in trying to have reduced rates on the railways, if we are not in a position to show interested parties or companies, that adequate facilities can be furnished and that all the grain that can be carried to the port of Quebec can be handled. Let us first see that all the facilities are there and we shall then be in a position to make out a case.

Mr. FORKE: Does the minister mean to tell the committee that if the grain had been flowing down over the Transcontinental last winter to Quebec, it could not have been handled?

Mr. CARDIN: Certainly, it could not have been handled.

Mr. FORKE: Are there any cargoes at Quebec that are not being transported now on account of lack of accommodation in the harbour?

Mr. CARDIN: That is hard to say but people are not going to route grain through Quebec, if they know that there are not sufficient facilities to handle it.

Mr. CLARK: What facilities are lacking for the handling of grain?

Mr. CARDIN: Storage elevators and berths for the ships.

Mr. SPENCER: How much grain has gone through the elevator at Quebec during each of the last five years?

Mr. CARDIN: During 1924 it was over 5,000,000 bushels.

Mr. CLARK: At Vancouver with an elevator of smaller capacity they handled 50,000,000 bushels in the same year.

Mr. CARDIN: My hon. friend will admit that they have there other facilities which are lacking at the port of Quebec.

Mr. CLARK: What are they?

Mr. CARDIN: They have all the year round to ship grain, as well as more facilities for vessels.

Mr. BELAND: Six months more in every year.

Mr. CLARK: At the time we are now considering the facilities in Vancouver consisted of one dock known as the Lapointe pier over which all this grain was handled, and there were equal facilities in Quebec for handling an equal quantity of grain if the business had been there.

Mr. MANION: As regards the handling of grain, I might point out that in the elevators at the head of the lakes, where more grain is handled than at any other port in Canada, they handle from five to six times the capacity of the elevator every year. In other words, an elevator with a capacity of 2,000,000 bushels would handle from 10,000,000 to 12,000,000 bushels of grain. I notice from the figures I saw the other day in the report of the Royal Grain Commission, which was appointed by my hon. friends that a number of elevators at the head of the lakes with a capacity of 3,000,000 bushels handled 18,000,000 bushels of grain during the year. Therefore, an elevator at Quebec, with a capacity of 2,000,000 bushels, in a season which is just as long as that at the head of the lakes, should be able to handle two or three times as much grain as it handled in 1924.

Mr. VIEN: In 1921, the Board of Railway Commissioners came to Quebec at the request of the harbour commissioners and the board of trade of that city. These public bodies were complaining that the Transcontinental railway was not being put to the best use to which it could be put. They complained that the rates were prohibitive, and that notwithstanding the fact that the Transcontinental railway brought Quebec 214 miles nearer to Winnipeg, with lower grades that enabled a single engine to draw 60 carloads of grain, no grain was shipped over that railway. The public bodies of Quebec were very much interested in seeing that the Transcontinental railway should be used to the best possible advantage with the result that not only would the city and district of Quebec benefit but the western provinces also in whose interest the line had been built. I had the opportunity of acting before the railway commissioners at their sitting at Quebec on behalf of the harbour board and the board of trade of that city, and when we showed the figures that are given in the letter from Mr. J. G. Scott, of Quebec, to which some hon. members referred at the beginning of this debate; when—basing our calculations on the figures given by the Interstate Commerce Commission of the United States—we showed that the Canadian National railways could give a much lower rate on grain from the prairie provinces to Quebec over the Transcontinental railway owing to the shorter haul and also on account of the lower grades, they said, "Surely if we reduce the rate traffic would pass over the Transcontinental, but then you are not prepared, your are not equipped, to handle all the traffic that would go through your port." That is the very reason some hon. gentlemen give against equipping our port; they say, "You have no traffic." So we find ourselves in that vicious circle. When we want to equip the port so as to obtain traffic they say, "You have no traffic to justify such improvements;' and when we tell them, "Give us the rates so that we shall have the grain," they say, "If we did give you those rates you could not handle all the grain that would pass through your ports." This is the vicious circle that must be broken before any advance can be made. In order to ship the grain the rates must be reduced; but no grain shipper would

ever send grain to a port where it cannot be handled. Therefore the only recourse, in the false situation in which we find ourselves, is to equip the port. When it is equipped the rates will be lowered and the grain will pass through its natural channel because the carriage of that grain was the main purpose of the building of the Transcontinental railway.

Mr. GOULD: May I interject a remark here? I should like to repeat a statement I made earlier in the evening, that one of the members of the board of the Quebec harbour Commissioners told me that they could handle five times as much grain as they received at present?

Mr. VIEN: Yes, my hon. friend is quite right. The harbour of Quebec to-day could easily handle five or six times as much grain.

Mr. GOULD: With the present facilities?

Mr. VIEN: With the present facilities. Why is not the grain coming to the city of Quebec over the Transcontinental? Because the rate over that railway is prohibitive, and when we went to the railway commissioners —because we have gone to them; I have in my hand the minutes of the sitting of February 3, 1921, in the city of Quebec—just to obtain the lowering of the rates over the Transcontinental so that the grain should pass over that line and through eastern Canadian ports what answer did we receive? They said "Even if we did reduce the rates you could not handle the traffic." Because hon. members, particularly in the Progressive group, easily understand that if we could reduce the rates by even three or four cents a bushel the grain would take advantage of that rate and the bulk of the traffic would come by that route.

Mr. IRVINE: Would it be possible to obtain the assurance of the railway commission that in the event of this vote going through and the harbour and its facilities being improved the rates would be lowered? If it is possible to get that assurance I do not think there would be very much objection to passing the vote.

Mr. VIEN: The Board of Railway Commissioners have not, until a recent date, had jurisdiction over the Transcontinental railway, and when we applied to them to get these rates lowered they gave us this answer: "It is useless to give you a paper rate. If we grant a lower rate the traffic cannot be handled at Quebec, the grain shippers will not ship their grain through that port because you are not equipped to handle it. Therefore we cannot give you a lower rate which would only be a paper rate. It is detrimental to the general interests of the railways that you should have only a paper rate.

Mr. COOTE: Did the commission on that occasion give any assurance that they would lower the rate if we provided more grain facilities?

Mr. VIEN: I must reply to that question in the negative and for this reason. The commissioners pointed out that at that time, February 3, 1921, that they had no jurisdiction over the Transcontinental. They told us on that occasion that our only remedy was either to interview the managers of the National Transcontinental, or else see to it that the National railways were put under their jurisdiction as were the other railways in Canada. Since then the National railways have been placed under the jurisdiction of the Board of Railway Commissioners.

Mr. IRVINE: Would it be of any assistance if this resolution were held over pending an answer to this question by the Board of Railway Commissioners?

Mr. VIEN: I do not believe that the Board of Railway Commissioners, or any court of justice, would give an assurance of that character. It would be preposterous to ask any court of justice to give an assurance that their judgment would be this or that. You could not take that course.

Mr. IRVINE: They could surely tell us that they would not do it. Then we would have an idea as to whether or not we were voting money for something that would be useless.

Mr. VIEN: I may tell my hon. friend that when the port of Quebec is fully equipped, with the assistance of the western members and the co-operation of the members from Quebec, I have not the slightest doubt that we shall obtain such rates over the Transcontinental as the physical condition of the road, its lower grades and the shorter haul to Quebec, justify. Now, may I point out to hon. gentlemen that two years ago a committee of the House of Commons was appointed to inquire into the question of railway rates. It was in respect of the Crowsnest pass agreement and the matter of other railway rates involved in that question. We had before the committee as witnesses several grain shippers, people that were fully conversant with all the conditions that affect the shipment of grain. What did they tell us? They told us that when the Transcontinental railway was first conceived and started to be

built, it was intended that the storage elevators would be built much further west along the line of the Transcontinental, and that the eastern ports would be equipped to handle the grain that would come to them over the Transcontinental railway. Unfortunately, before the Transcontinental railway was completed the government changed, and the government that took office in 1911 did not continue the construction of the Transcontinental as first proposed; the agreements were forgotten and laid aside. In the first place out west the storage elevators and grading elevators have not been erected along the lines as was in the first place proposed, and down east the harbours were not equipped to handle the grain that was supposed to come there. When a grain trader receives an order to ship grain, he must take advantage of the market and of the railway facilities. If an order comes to him to fill the requirements of some flour mills in Minneapolis, it would be useless to him if he had transported his grain to the seaboard and then had to move it back, in order to ship it to Minneapolis. If at a given moment there were tramp vessels in Philadelphia or New York, the grain at Quebec could not be moved by the cheapest route to that tramp vessel at the American port. Therefore the grain must be placed in storage elevators as far west as possible. It must be cleaned and graded there, and when an order comes the grain must take the most direct and cheapest route to the port of embarkation, or to the flour mills that give the order. Therefore the full equipment of the Transcontinental railways, the grain storage elevators out west and harbour facilities at the seaboard must be provided. Now when we apply to the railway authorities they say "We cannot give you cheaper rate; the grain does not pass that way, and if we gave you the rate you ask all the grain would go through on the Transcontinental railway, and therefore you could not handle it." I say let us equip our harbour at Quebec for the summer traffic and the harbours of St. John, and Halifax for the winter traffic. Let us equip our harbours by the seaboard, and then we shall be armed ready to go to the railway commission and obtain that rate over the Transcontinental railway which the conditions of the railway can justify.

Mr. MACLEAN (York): I will try to bring the House to a due sense of the issue before it. The hon. member for Lotbiniere (Mr. Vien) spoke about the desire of his friends and himself to get a reduction in the freight rates, so that there could be a development of trade and shipment through our various ports in order to promote the welfare of every one. But the one thing that blocks the country in the matter of transportation to-day is what I pointed out earlier in the session. Until we save the hundred million dollars a year which is wasted you cannot accomplish much. As long as we refuse to consolidate the Canadian Pacific Railway and the Canadian National we will have that great shortage of a hundred million dollars. If we save that hundred million we will have it available, not only for this proposition, but for many others. My hon. friend from North Waterloo knows more about this question than I do; he knows where the waste occurs and where it can be stopped. The Minister of Justice also understands the proposition and realizes that we must have relief from the present great extravagance which prevails in the east and all over the country before we can meet with any success. We must stop the expenditure of millions in all directions. An election may be on shortly, but even if an election is impending it is no reason why we should not stop the leaks which exist to-day. I challenge any hon. member in this House, any man in the country and the apologists of the Canadian Pacific Railway and the Canadian National Railway to show why, if the two roads were consolidated, a hundred million dollars could not be saved to the people of this country. But at present every suggestion is to increase the expenditure. Canada to-day must begin to practice economy and stop the leaks. I do not care what may happen to me; I am going to make the proposition in the country that the time has come when we must stop these extravagances and leaks. I wish the Prime Minister and the leader of the opposition were in their seats to hear my statement. Give to Quebec and to other places these facilities if they want them after we have stopped the leaks and have shown to the country that we can run our business and make both ends meet. I do not care what the House does in this matter or what happens to me in connection with it, but at the present time, and in the coming probable election, I am going to make the proposition that we can do lots of these things if we stop the leaks, take care of our money and take up propositions only which can be justified on their merits. The people of Canada will demand an accounting from members of this House, no matter on which side of the House they sit, when the matter

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is brought before them, and I as a humble citizen of the country will bring it before them. If we stop this extravagance and save to the country over a hundred million dollars by the consolidation of the two roads, the system will be three or four times as efficient, which is something the hon. member for Lotbiniere desires to see. But that efficiency will never be obtained unless we do away with the present system of having two rival railways driving through the country competing against each other. I do not care whether hon. members are Conservative, Liberal or Progressive; if you go back to the country and ask to be re-elected, in view of the fact that you have not endeavoured to stop the leaks and have not insisted on economy, you will not be successful. It is absolute folly to continue to spend more and more millions of dollars, with debts and taxes increasing as they are at present. I hope therefore that before the end of this session the House will find some means of putting an end to this awful extravagance. The money comes out of the ordinary taxpayer; it is he that has to sweat to provide it while we waste it, and we are the persons who will be held responsible.

Mr. VIEN: I fully agree with the hon. gentleman.

Mr. MACLEAN (York): There is my first convert.

Mr. VIEN: The hon. gentleman cannot boast of having converted me; I was of the opinion that economy should be practised before he stated his views on this matter. He was preaching to a convert.

Mr. MACLEAN (York): Then I am a follower of yours.

Mr. VIEN: My argument was that even with all that extravagance and with the present cost of railway operation, a lower rate could have been given over the Transcontinental and the figures that we submitted to the Board of Railway Commissioners were based on the cost of operation of the railways of the United States. And all hon. gentlemen know that no railway operation is so expensive as that of the American railways under the Interstate Commerce Commission. At that time we submitted a statement of the case. We said:

In the six years from 1912 to 1918, 1,096,000,000 bushels of grain were shipped from Fort William by water.

Of this vast quantity, there was sent to Port McNicoll, Port Colborne, Midland and other Georgian bay ports, for the supply of all the flour mills in eastern Canada, some subsequently shipped by rail to New York, Portland ectetera, for export, and a small quantity to Montreal and St. John, 578,000,000 bushels;

and to Buffalo, the greater part sent thence to New York and other United States seaports for export, 518,000,000 bushels. The quantity sent all-water to Montreal was limited owing to the limited draught of water in the canals. In 1918 and 1919, the harvests in the west were poor and there was very little left for export, after supplying, through the elevators, of the Georgian bay ports and Port Colborne, the needs of the eastern flour mills, to feed the people of Canada.

In 1920, we have had another good harvest in the west and the surplus wheat is again being exported by Buffalo and New York, to the detriment of Canadian seaports. The quantity already sent by water from Fort William to Buffalo this year—

That was 1921.

—is about 53,000,000 bushels, of which it is estimated that four and a half to ten million bushels will be used by United States flour mills, and the balance is being exported from New York to Europe.

The Transcontinental was built for the purpose of putting a stop to this diversion of our western trade to United States seaports, and to conserve it for Canadian seaports.

When that railway was finished in 1916, and taken away from the Grand Trunk by the government, the government traffic manager, Mr. C. A. Hayes, made a freight rate of 6 cents per bushel from Armstrong to Quebec, upon wheat for export. Armstrong is a station on the main line of the Transcontinental railways, the same distance from Winnipeg as Fort William is, and was selected for that reason.

The effect was immediate. Six large steamships were loaded at Quebec, and the Minister of Railways stated in parliament that the rate of freight was profitable for the railway.

Very shortly afterwards, this special rate of freight was cancelled, and no more grain has come over the Transcontinental railway to Quebec for export since 1916. The Minister of Railways stated this year in parliament—

The year 1921.

—that he was mistaken in stating, in 1916, that the rate of 6 cents per bushel was profitable to the railway, and that it is impossible for the railways to compete water for the carrying of grain. The rate upon export wheat from Armstrong to Quebec has now been raised to 25 cents per bushel, or four times what it was thought necessary to charge in 1916.

This rate is of course, prohibitory and has had the effect of driving the trade to Buffalo and New York, as anyone could have foretold. Montreal does not get it.

The routing of grain by lake vessels via Fort William, as compared with the all rail rates via Armstrong to Quebec, favours New York, as follows:

Mr. KELLNER: Is that 25 cent rate from Armstrong to Quebec still existent?

Mr. VIEN: I believe so.

Mr. KELLNER: Does the hon. gentleman agree with the Minister of Justice (Mr. Lapointe) that this government has no control over freight rates?

Mr. VIEN: I do, because the Canadian National Railways have now been put under the jurisdiction of the Board of Railway Commissioners.

Mr. FORKE: The rate is 20¾ from Armstrong to Quebec.

Mr. VIEN: And even at that it is excessive.

Mr. KELLNER: Is the Board of Railway Commissioners under the government?

Mr. VIEN: Not any more than a court of justice. The Board of Railway Commissioners is a court of justice in the fixing of freight rates and there is an appeal from its decisions to the Governor in Council. At the time we applied to the Board, the National Transcontinental and the National Railways were not under their jurisdiction.

Sir HENRY DRAYTON: What is the hon. gentleman quoting from?

Mr. VIEN: I am reading from the memorandum prepared on behalf of the transportation committee of the board of trade of Quebec. When the commissioners came to Quebec we represented to them that if they gave a lower rate the grain would go through that port, and they admitted it. Commissioner Rutherford said:

> But there is a very great difference. Suppose you bring a load of grain down here, and return the cars to the prairies, that takes a long time. That is why those grain elevators were built in the western provinces, to give a short haul on grain. If this 90,000,000 bushels had not gone via Buffalo, where would it have been now?
>
> Mr. St. Laurent: Most of it would still be there, because up to this time the eastern ports could only provide for a few millions.
>
> Mr. Smith: We could have looked after 25,000,000 bushels here.
>
> Commissioner Rutherford: We have another condition to meet there, and that is this: up until now and for a long time in the future that grain will have to be moved in a great hurry, before the close of navigation. It is wrong from an economical and national standpoint to move that grain in that way, but our financial and other conditions in western Canada have been such that it is essential to move that grain in a hurry.

The reason a great deal of that grain went to Buffalo and not to Atlantic seaports was because the Canadian seaports were closed.

> It would require a large number of cars no doubt, but it would be unfortunate if this splendid Transcontinental railway were to be built and not provided with sufficient rolling stock to carry all the traffic which would naturally come to it at a fair profit over the operating cost.

Then I said:

> I do not see that there is any serious objection to fixing such a price over the National Railways as would allow the Canadian National to make money and yet be able to beat other competitors. There is competition in transportation all over the world, and the country which can arrange its transportation system in such a way as to beat others in prices and still make money will win out.

Argument was then advanced by Commissioner Rutherford that if we did do that it would put all the other railways out of business. We said that we did not think so, that a certain quantity of grain was at all times bound to come by the lake and rail route, and that therefore the lake and bay ports would always receive a certain amount of traffic, but we wanted in that way to divert to the Canadian National Railways that portion of the grain traffic which goes to the American railways and ports. We think that the only way of breaking the vicious circle within which we find ourselves enclosed is first to equip with proper facilities the eastern harbours, and then you will see that with the assistance of hon. gentlemen from the western provinces we shall get the rates lowered over the Transcontinental.

Mr. HOEY: Would it not be a good thing to lower the rates first?

Mr. MACLEAN (York): Is my hon. friend (Mr. Vien) ready now to do something to stop the mad competition between our two transportation systems and get reduced freight rates? If I could get some assurance of that to-night from the government, I would gladly support this expenditure and a lot of other votes in order to stop the leak that has continued year after year.

Mr. FORKE: Mr. Chairman, it is not from lack of sympathy towards the development of the port of Quebec that there is any opposition to the proposed expenditure from this part of the House. I think every member from the prairie provinces, more especially perhaps from Manitoba and Saskatchewan, is anxious to see western grain carried over the Transcontinental. I think that if the rates from Fort William or Armstrong to Quebec were the same as they are from Calgary to Fort William, the grain ought to be carried for eleven cents from Fort William to Quebec. I do not know the reason why this rate is not available. I was asked the other day why grain was not being carried at the same rate as was in force from Calgary to Fort William. I replied, "Ask Sir Henry Thornton. Perhaps he knows why they are asking 20¾ cents to carry grain the same distance as it is carried for a much lower rate from prairie province points to Fort William." I should like to see that flow of grain taking place, and were I assured that the Quebec harbour facilities were not able to cope with the traffic now offered I would be prepared to support this vote. But grain is not going there at the present time, and I feel convinced that the harbour can take care of all the grain that will be sent there for the next year or two anyway. There is no sentiment with regard to the carrying of grain. We hear a great deal about Halifax, St. John, Quebec and Montreal being national ports and that our

grain ought to go through them. I admit that, and I should like to see it taking place, but I think the House will bear me out that as a matter of business grain will go by the easiest and cheapest route, and you cannot by legislation prevent it. I have no hesitation in saying that in years to come our grain will flow to the ports whence it can get the easiest and cheapest exit to the export markets. But I should like to see Quebec, Halifax and St. John getting their fair share of the business, and if anything can be done to facilitate this I shall be only too willing to assist. In the meantime I regret, as I think all of us in this part of the House do, that it is necessary to oppose this vote. In the present condition of the country I do not think the people would stand behind us in voting five million dollars to enlarge the harbour of Quebec. I am not convinced by anything that has been said to-night that the harbour is not able to take care of all the trade that is being offered at the present time. I have read carefully all the recommendations made by Mr. Scott and others with regard to the Transcontinental railroad carrying grain, but I do not find a single hint that Quebec is not able to take care of the grain that finds its way down there to-day over the Transcontinental. We were asked the other day to vote $1,600,000 to deepen the St. Lawrence, and now we are asked to vote $5,000,000 to enlarge the harbour of Quebec. Seriously, Mr. Chairman, I cannot see my way to support this vote, and I do not think the country would stand behind us if we endorsed the expenditure. I sympathize with the members from Quebec, for they are very much in earnest in asking for this assistance, and perhaps they feel a little hurt at so much opposition developing—

Mr. VIEN: If my hon. friend will permit me? Does he contend that we should wait until such time as actual conditions justify expenditure on branch lines out west, that is, until they are able to pay interest on the investment?

Mr. FORKE: Mr. Chairman, if they are building branch lines in the west that will not pay interest, I think the work should not be undertaken; but I am perfectly sure they are paying interest.

Mr. VIEN: Will not my hon. friend admit then that quite a number of branch lines should be closed?

Mr. MORRISON: There is not a branch line in the west but has paid interest and sinking fund.

[Mr. Forke.]

Mr. FORKE: I think there is a good deal of misunderstanding in the House with regard to branch lines. Perhaps a branch line in itself does not pay, but when taken as a feeder in conjunction with the trunk line, there is no branch line in the west to-day that does not pay.

An hon. MEMBER: It takes a good deal to convince one that that is the case.

Mr. VIEN: If my hon. friend adds to the cost of the branch line part of the cost of the trunk line, he will find that on this basis of computation there are many branch lines in the west that should be closed.

Mr. FORKE: Well, we are a long way from Quebec now.

Mr. VIEN: Not at all; we are advancing the same argument.

Mr. FORKE: If we were spending millions of dollars on branch lines in the west that could not be expected to pay interest on the investment for many years to come, I would not be in favour of building them. I am not hostile to the development of the harbour of Quebec, but I conscientiously believe that the country will not stand for this expenditure under present financial conditions, and therefore I am opposed to it. I do not want to be pessimistic, but sometimes I become alarmed when I notice how year after year we are adding to the national debt, while our population is not increasing at the rate it should. Therefore I cannot but think we ought to walk very warily at the present time.

Mr. CANNON: Is it not a fact that sometimes expenditures are real savings?

Mr. FORKE: Yes.

Mr. CANNON: This is such a case.

Mr. FORKE: I have repeated the phrase several times in this House, that you can have a wise pessimism and a foolish optimism. I think this is a case where the optimism is perhaps a little foolish. I am sorry that I cannot see my way to support this vote.

Mr. KING (Kootenay): Mr. Chairman, I am rather surprised at the opposition that has developed, and I am sure there must be some misapprehension with respect to this vote. It is not a new proposal at all; years ago parliament provided money for the development of the harbour of Quebec, and that has naturally led up to this expenditure. At the time property was secured in Quebec city in order that these works might be built.

Are we in Canada to say that we are not to develop our ports, that we are to stop where we are, that we are to leave things as they were before the war? Or is it the desire of the people of Canada that we should proceed to develop our ports and keep Canadian traffic within our own ports? There is no doubt that if we decided that we should not maintain our own eastern ports the people of the United States would be glad to provide accommodation and facilities for the Canadian traffic. Quebec is one of the oldest ports in Canada. It has a strategic location on the St. Lawrence river. Some years ago the construction of a railway by the people of Canada had the effect of improving that position, and there is no doubt in my mind that if parliament considers this vote favourably it will promote increased trade through the port of Quebec. That increased trade will not merely affect the trade that already goes through the port of Montreal. We have to maintain two sets of harbours on the Atlantic seaboard, Montreal and Quebec during the summer and St. John and Halifax during the winter. Fortunately in western Canada we do not have that condition; our harbours are open the year round. But so far as Quebec is concerned this expenditure was foreseen years ago and money was expended in order that these developments might take place. I think there has been a very unfair criticism to-night from the other side, namely, that the harbour of Quebec was not paying interest on its bonds or on the advances made. Quebec is in a different position from Montreal in that respect, because you have not the heavy tonnage at Quebec. But the port of Quebec has served a very useful purpose and is serving to-day a useful purpose for the people of Canada, and there is no reason why this vote of $5,000,000 to carry on these developments, to be extended over a period of four or five years, should not be provided. I am satisfied that within the next few years we shall have a western development that will justify the expenditure of this money, and there should be no hesitation on the part of western members to give their support to this measure.

Miss MACPHAIL: As one of the youngest and most inexperienced members of this House, and knowing the least about the millions of money we hear so much about, I am impelled to say that the people who live in ports on the seaboard and on the lakes must be exceedingly glad for the grain growers and cattle raisers of Canada, because they are the excuse for building needless elevators and dry docks that are never used and harbours that are of no use to anybody. Think of the expenditure this year; think of what they are doing in Halifax! What use is to be made of the elevator they are building down there? Then there is the expenditure at Prince Rupert, improvements in Vancouver—all these tremendous port expansions. They must expect a very great deal of grain to be grown and a tremendous number of cattle to be raised if any of these facilities are to be used at all. As I sit here now in the fourth session since I came to this parliament, I have come to this conclusion that we shall never have economy in Canada until we individually practise economy; until each of us says to his constituents: "If Canada is not to go at once on the rocks"—and anybody who is looking can see that that is the direction in which the country is going—"if it is not to go more rapidly, you and I in this constituency must economize." I offer no apology for voting against this proposal; I feel it is a privilege to do it. I have opposed every expenditure in my riding, even though it has brought me unpopularity to do so. All that the government has been asked by me to spend in Southeast Grey since I came here amounted to $270 a year, and if you knew the trouble I had to get that you would think it was a very large amount indeed. I have not asked for anything, even when my people insisted on it, and in justification to them I must say they did that very seldom. I wonder if we are justified in asking if the request for this immense amount of money does not naturally follow the unpopularity of the proposed subsidy to Sir William Petersen. It is only two or three years ago since we had a vote of almost a similar sum for the same port. I have sat here through almost the whole of this debate and I have not heard any argument that proved to me that additional facilities are needed in Quebec. Five million dollars is a great deal of money to the people who finally pay, and they are the grain growers and cattle raisers of this country. I shall very gladly, Mr. Chairman, oppose this vote.

Mr. MORRISON: The hon. member for Lotbiniere stated that the branch lines in western Canada were not paying.

Mr. VIEN: Will my hon. friend allow a correction? I said that if you applied a portion of the money invested in the trunk line to the branch lines—because the branch lines are considered as feeders of the main line—many of the branch lines would have to be closed.

Mr. MORRISON: Last year in the Railway committee of the Senate, Senator Calder stated that he had been Minister of Railways in Saskatchewan for a number of years, and he challenged anybody to contradict the statement that there was not one branch line built in Saskatchewan that did not pay its interest and meet its sinking fund requirements. In Alberta and Manitoba the branch lines were in practically the same position. There have been no expenditures on railway lines in the prairie provinces that have not paid. But I would point out that when a branch line was proposed this year that was not considered necessary, even the members in whose constituencies it was proposed to be built objected to the expenditure, just the same as they would have done had the expenditure been proposed for some other constituency or province. In other words, they did not stand for it. Why do not the members for Quebec look upon this matter as a business proposition, not as a political proposition?

Mr. PARENT: What is the difference between the two?

Mr. MORRISON: Some old professional politician could answer that better than I could. Now, when we ask for a vote to finish the Hudson Bay line we do not get support from eastern Canada to put it through. The Quebec harbour board have not imposed sufficient charges to pay interest on the bonds. I consider that any body of men who have borrowed money and have not paid their interest are a poor corporation to lend further funds to. They ought to clean up at home and show that they are worthy of further loans before they come and ask for more.

Mr. VEIN: Does my hon. friend say that the portion of the Hudson Bay railway that has been built pays interest?

Mr. MORRISON: No, it is not paying at all.

Mr. VIEN: Yet he is asking that it be completed before the portion already built pays interest. We say that Quebec harbour is not completed.

Mr. MORRISON: Will the hon. member sit down? This is my speech. How can the Hudson Bay railway be expected to pay when it is not completed?

Mr. VIEN: Will my hon. friend permit me a question?

The CHAIRMAN: This is not a debate on the Hudson Bay railway.

[Mr. Vien.]

Mr. VIEN: How can the hon. member expect the Quebec harbour to pay before it is completed?

Mr. MORRISON: The Hudson Bay line was a through route and it was left uncompleted. Consequently, it cannot be expected to pay.

Mr. VIEN: The Quebec harbour is not completed.

Mr. MORRISON: The Quebec harbour board should approach the railway authorities and get a paying rate so that they will have their city patronized. They cannot expect us to spend further money there when the facilities which are already provided, are not used to 100 per cent capacity, they are not used to 20 per cent capacity. Therefore, I do not feel justified in supporting this vote.

Mr. BROWN: The hon. member for Lotbinière (Mr. Vien) has spoken of a certain vicious circle which ought to be broken, and he intimated that the way to break it was to secure shipping facilities at Quebec and then demand the rate. The reasonable proposition would be to get the rate first and then see what the effect of that rate would be upon the traffic. It has already been well pointed out in this debate that the giving of a proper rate to Quebec might very possibly affect rates upon the lakes. If the rate that we think should be granted were given to Quebec and grain began to flow to Quebec, the effect might very well be that a still lower rate as might be given with profit would be given on the lakes. The still further effect of that would be to throw a still greater quantity of grain over the lakes, and we might find that the granting of the lower rate to Quebec would so affect rates on the lakes that further facilities at Quebec would not be required. There is no sentiment in the west as to where our grain should go. It is going to go to that port that offers the best facilities and gives the cheapest rate. The possible effect of that lower rate which we think ought to be granted might be to lower still further the rate on the lakes. It has been pointed out that the reason why this lower rate has not been granted which, we think ought to be given has been that the facilities are not at hand. It seems to have been further urged when the memorandum was presented to the grain commissioners, that possibly that might have the effect of taking all the trade away from the other railways. There is just a suspicion—perhaps it is not justified—that other influences are at work to prevent that

rate from being granted over the National Transcontinental. It is, perhaps, more than a suspicion that other railway interests are at work to prevent our grain going in that direction. It is sometimes pointed out to us that all the great expenditures on railways were for the people of the west. As regards the west, prior to the present time, that railway might just as well have stopped at the point where it could most easily reach Fort William. All the expenditure from Armstrong east is valueless to the people of the west and it should not be charged against us. When we are given a rate that will make it possible for us to ship our grain and live stock over that route to Quebec, we shall begin to consider that the argument has some measure of value. At the present time it has none.

Another question that should be seriously considered is this. The whole railway situation in Canada has been changed by the opening up of the Panama canal. The people of the Pacific coast recognize this fact. One of our Canadian writers, Miss Agnes Laut, a few months ago wrote an article for an American magazine pointing out very clearly the change that has come about in the railway situation through the opening of the Panama canal, so that it is possible to-day to ship freight from Montreal by the Panama canal right through to the Pacific coast and bring it back almost as far as the city of Brandon. That must be taken into account in all rate-fixing in the future, and if that is not taken into account, our railway rates can never be put upon a proper basis. When proper account is taken of the new conditions that have been created by the opening up of the Panama canal, it may be found that we have pretty nearly all the elevator capacity that we need at our eastern ports. I think sometimes we are taking an entirely wrong view of the situation. The Minister of Soldiers' Civil Re-establishment (Mr. Beland) made an eloquent plea that Quebec was a national port and that it was not being considered from a sectional or local standpoint. But we know that sectional and local interests are advocated time and again in this House. What about the elevator at Prince Rupert? What about the elevator at Halifax or St. John? Are we not being constantly appealed to on the ground that we must give consideration to these ports? Therefore, hon. members for Quebec, in view of the fact that we are constantly being appealed to on these grounds, need not be surprised if it should be thought these appeals are being made in the interest of the Quebec district. I am very loath to put any obstacle in the way of the proper development of our facilities. We can carry on the trade of our country only on condition that proper facilities are provided. At the same time, the situation with regard to the railways, to which I have briefly referred, is such that we should at the present time be very careful in making further expenditures for the creation of extra facilities at our ports. At present it does not seem to me that these extra facilities that are now being advocated are required.

Sir HENRY DRAYTON: I want to agree at the outset that Quebec is a national port; but having said that—

An hon. MEMBER: That is a fairly good start.

Sir HENRY DRAYTON: What I am going to say now is just as good, just as true, but the hon. gentleman will not accept it. Our proceedings lately—and I am not going to give many illustrations—remind me very much of the mad hatter's tea party. We have to deepen the St. Lawrence as far as Montreal to take in the big boats. We have to build more docks down at Quebec because the big boats cannot go further up the river. Then we go into another room and we find that all of this is a mistake; that the Minister of Trade and Commerce (Mr. Low), as a result of his collaboration with—

Mr. VIEN: The hon. member cannot speak of what is going on in a committee.

Sir HENRY DRAYTON: Let us take the contract and we find that as a result of what—

Mr. VIEN: I rise to a point of order. The Petersen contract is now referred to a committee, and it is against the rules to speak of it in a debate on the port of Quebec.

The CHAIRMAN: Yes, to dwell on it in a debate, but I understand this is only a reference to it.

Sir HENRY DRAYTON: It is only a reference.

Mr. PARENT: Just a glancing reference.

Sir HENRY DRAYTON: Yes, and it shows that we are mistaken in thinking about big boats and that what we want is a small boat that requires a very little depth of water. What are we to do? We are just moving from one place to another, with an argument from this government to spend money for any purpose, no matter how inconsistent it

may be in connection with other expenditures. Now Quebec is a national harbour. So are other harbours national. But because Quebec is a national harbour is no reason why, at a time like the present, we should spend money unnecessarily. That is the whole question; there is no other question.

We have heard something about rates to-night. There is nothing so far as this immediate work is concerned which depends at all upon the question of rates. Those docks on the other side have not, of necessity, anything whatever to do with the grain elevator and the grain business. There is ample room to look after all the boats on the other side which can be served by the elevator, and it is a splendid elevator. So far as Quebec's terminal facilities are concerned in the grain business—yes and in the cattle business—the facilities are better than they are at other ports. Hon. gentlemen who have been there know that they are better in Quebec than they are in Montreal. Hon. gentlemen who have been there also know that the Quebec elevator is an excellent elevator, and if there was any demand for space there are full and ample facilities.

The minister read this afternoon a submission from the steamship people. Well, in the first instance, the steamship people, as everybody else, like to get the very best facilities they can get when somebody else pays for them. There is no question about that. They are the very last people in the world I would have thought the government would have relied upon for a defence of the expenditure of this money. But what I want to point out to the House, Mr. Chairman, is this: That report was a report which was made last spring in connection with a condition of affairs that has absolutely ceased. Why the boats that special accommodation was wanted for then were the Carmania and the Caronia. They were the two big boats and they got the desired space. There was no trouble in getting the room, they obtained it all right. They operated all right so far as space was concerned, and they have since been taken out of the business. The apparent demand upon which some excuse could be based for expenditure no longer exists to-day. If we attempt to rely upon that excuse we are simply deceiving ourselves here and everybody knows it. Everybody knows that these two boats that wanted the berths, which they got last year, are now no longer in the service.

Now, Mr. Chairman, this work is a big work. My recollection—and I want the minister to correct me if I am wrong—is that this work will amount to $20,000,000.

[Sir Henry Drayton.]

Mr. CARDIN: What work?

Sir HENRY DRAYTON: The completion of the work which is to be started by this $5,000,000. The total development on that side of the river will cost $20,000,000.

Mr. CARDIN: Of course the developments that we are providing for can be extended along the same lines; but what we are asking for is sufficient to complete that part of the programme which will be capable of taking care of the traffic.

Sir HENRY DRAYTON: I am afraid the real situation is this—that when we commence it we are committed to the whole scheme and that will involve $20,000,000 expenditure.

Mr. PARENT: If the demand requires it.

Sir HENRY DRAYTON: If the demand requires it? There is no demand for it so far as shipping is concerned. There is absolutely no trouble or no congestion at Quebec so far as shipping is concerned. Why the revenues of the harbour commission show that—absolutely no demand. But the Minister of Justice talks about the low rate for passengers. Well, there is just the same rate for passengers at Quebec, as I understand, as there is at Montreal. If I am wrong I want to be put right; I want to do every justice to the port. But it is nonsense, absolute nonsense, for any hon. gentleman to get up here and say there is a whole lot of passengers coming in there and they are not charged anything when exactly the same charge is made at the port of Montreal.

Mr. LAPOINTE: My hon. friend is always using strong language; everybody is speaking nonsense but himself. Let me tell my hon. friend that the immigrants are landing in Quebec not in Montreal.

Sir HENRY DRAYTON: That is not the point, and my hon. friend knows it perfectly well.

Mr. LAPOINTE: I know it but you do not apparently.

Sir HENRY DRAYTON: My hon. friend talks about passengers but the fact is—I want a correction from the Minister of Marine and Fisheries if I am wrong—that exactly the same charge is made for passengers in Quebec as is made in Montreal.

Mr. LAPOINTE: But the passenger traffic is to Quebec.

An hon. MEMBER: There is no charge made in Quebec for these passengers.

Mr. LAPOINTE: Who is talking nonsense now?

Sir HENRY DRAYTON: I think my hon. friend is. I cannot conceive of any greater nonsense than for any public man having any conception of his duties at the present time in connection with Canada's business to attempt to justify the payment of $5,000,000 of the people's money upon the arguments he has used to-day.

An hon. MEMBER: What about the viaduct at Toronto?

Mr. LAVIGUEUR: Is the hon, member aware that his late leader Sir Robert Borden, when he came to Quebec to try and get the sympathy and the votes of the people promised and engaged himself as the leader of the government that we would develop the port of Quebec with a much larger expenditure than we are asking to-day.

Sir HENRY DRAYTON: Ah, Mr. Chairman, development is for the purpose of looking after the business, and if there will be enough business, if there be justification for it certainly go on and develop. But we can pay too much for luxuries. Why, my hon. friend the Minister of Justice is an ornament to the House, but he is not worth $5,000,000 of the people's money at the present time. This is no time for diamonds and luxuries.

Mr. CANNON: Are we going to hold an auction?

Sir HENRY DRAYTON: I wonder where that remark comes in. I wonder if there is not some way by which we could really help Quebec. What help is it to Quebec to give that port facilities which she cannot use? The only help it is is to aid a few of the government's friends. It will be helpful for election purposes but what real help is it to Quebec? Well, I would like to have seen the Minister of Justice not needing any help, not bringing this down. There are things that could be done to help Quebec. I wonder why my hon. friend does not apply himself in some of those directions instead of this. I point out that not one single ratepayer in Quebec is going to be helped by this expenditure, not one of them. There will be a little temporary work, certainly, and then there will be the burden. There will be the burden of added taxation without the slightest return for it. There will be the burden that comes from all extravagance, and I really seriously appeal to the government—

Mr. POWER: May I ask if one single ratepayer in Quebec was helped by the expenditure of thirty millions in Toronto?

Sir HENRY DRAYTON: I will come to Toronto at once. There is a situation in Toronto—

Some hon. MEMBERS: Order.

Sir HENRY DRAYTON: Somebody says "order" when I am replying to a question that was asked me. There was a situation in Toronto of many years standing, which stood until the people outwaited the railway, which stood such a length of time that the railways in the name of economy and efficiency had to go ahead. That is the situation in Toronto. There is nothing being done in Toronto on that viaduct for the future business of these railways at the present time.

Mr. POWER: No, they built the station first and then had to build a viaduct to get to it. They built their big station at a cost of a million dollars, and then they had to spend millions more to get to the station.

Sir HENRY DRAYTON: I wonder who has the floor at the present time. I wonder if we are to go over the whole continent, in connection with a discussion which is perfectly proper, because some hon. member opposite raises a particular point. Now can we not really do something in connection with expenditures at the present time?

Mr. MACDONALD (Pictou): Is the hon. member really wanting to help Quebec?

Sir HENRY DRAYTON: I would love to help Quebec but this resolution will never do it, and my hon. friend knows it.

Mr. MACDONALD (Pictou): How is the hon. member going to do it?

Sir HENRY DRAYTON: That is another subject, and I would be promptly ruled out of order if I dealt with that. Is it not possible for the government to try and hold down expenditure at least to some extent? They talk economy and that sort of thing, but never try it; and to turn round and look after the business which might turn up in five or ten years from now is simply ridiculous. A great deal has been said about the railway rates. We know how useful Quebec harbour is to-day, and as the railway rates stand, does the government really think they will do any more business in Quebec with this five million

dollar expenditure, or is the whole thing really just what it appears to be? This is a vote on the St. Lawrence, and with these elevators here and there, it is just simply preparation for the next election.

Mr. EVANS: Notwithstanding all that has been said, I must say that I shall have to oppose this resolution. I look on it as uneconomical, unbusinesslike, and I might use a stronger word. I believe at this time it is unpatriotic. Some years ago we built a National Transcontinental railway and the port of Quebec was very much linked up with that. The development of the two must go together. In fact we built that railway on a gradient over which heavy trains could be hauled from the west without a break, but in all the discussion to-day I have not heard even one member of the government tell us what influence has been at work that has prevented that railway being used as the other parts have, or used all the way from Cochrane to Quebec, which lies now, as one hon. member describes it, simply a line of rust. The Minister of Justice said that we must develop our national ports. That this is a national port I do not deny; but only last week we also made Blind River and Trenton national ports, and we built wharves and warehouses at those places, to be from this time forth looked after by the Dominion government. This is all very expensive. But now we come to this question before us. The development on the St. Lawrence river is sufficient to look after the trade of the country. The trade of our country has not developed at the rate we are developing our outlets and the ports of our country both east and west. There is sufficient capacity at present to look after all the wheat and cattle that will go to Quebec for many years to come. I have only to repeat the minister's own words and I find that there are twenty-five berths that at least will take boats from 500 to 700 feet long. This capacity has never been used to its full extent. There is sufficient accommodation there for all the wheat that will likely go over that route for many years to come. There is a two-million dollar elevator which can handle ten million bushels a year if used to its full capacity. It has a loading capacity of sixty thousand bushels an hour, and altogether Quebec is well equipped to look after all the trade that will develop through that port for the next five or six years.

12 p.m.

Now to look at this matter as between Quebec and Montreal, I think the logical thing to have done would have been to develop Quebec for deep sea vessels, and the lighter trade could have gone on to Montreal. Quebec is 214 miles nearer the heart of the Dominion than Montreal, but we are now going to spend nearly another seventeen millions to develop a channel to take the trade of the country 214 miles further away from the heart of the Dominion. It is unreasonable, and for that reason I say it is an unbusinesslike proposition. The Minister of Health said that the cattle trade will increase. I only hope it will, but under the present conditions, which are destroying trade in this country, we in western Canada have lost more in the cattle business during the last three or four years than we can recover in the next ten years. The Minister of Health also asks defiantly, in what way can this be called a political move? Well, I suppose what is true in one case can apply in another, and I am going to quote the Prime Minister's words in Saskatoon when he said we could not expect development in the west or the completion of the Hudson Bay railway if we did not send Liberals to the House of Commons. Now how can the Hudson Bay railway be built, he asked, under those conditions? I oppose this vote for these reasons: It is unbusinesslike, it is uneconomical and the country cannot afford it.

Mr. POWER: I have only one word to say before this resolution passes, and that is to thank the hon. members directly opposite, and particularly the ex-Minister of Finance, for their words of sympathy towards the city which I have the honour to represent, and to express the wish that after giving the matter further consideration they may decide to express their sympathy in a more practical way by voting in favour of the resolution. A certain number of arguments have been urged against the proposition. The first is that the port of Quebec needs no further equipment, that the equipment there is ample for all the business that there is or all the business that we will have for some time to come. I think it is only fair that the hon. gentlemen who have discussed this matter should, before forming an opinion, hear what the experts have to say in regard to it. They have heard from the minister (Mr. Cardin) that the shipping federation has declared that the accommodation at the port of Quebec for the larger class of vessels is entirely inadequate. Who should know, if not the shipping federation, the combine of all shipping interests using the St. Lawrence route? If they do not know, and if their word is not worthy

of consideration, whose is? I do not wish to criticize hon. gentlemen opposite, but when gentlemen rarely see ships or rarely visit harbours at all are they prepared to place their opinion on record as against that of people who are continually in the business?

Mr. STEVENS: The last time I was in Quebec I was very much interested in the matter of harbour facilities.

Mr. POWER: Why did you not come to see me? I would have shown you some schooners.

Mr. STEVENS: I called at your office but you were not in. There is a long pier close to where the liners dock, with ample shed accommodation; I should judge there would be four deep sea berths at that pier. I walked all over the pier and it was absolutely vacant. Indeed, the grass was growing in the cracks in the cement and it had the appearance of never having been used. Why is that pier not made use of?

Mr. POWER: I do not quite recognize the description my hon. friend gives.

Mr. STEVENS: The Minister of Justice (Mr. Lapointe) laughs sarcastically. I think he is putting a wrong construction on what I am saying.

Mr. LAPOINTE: Surely you did not see grass on the pier?

Mr. STEVENS: I certainly did. Hon. gentlemen treat this question as a joke, but I am serious. I am referring to a long pier immediately adjoining the docking place of these large liners.

Mr. POWER: The liners of the Canadian Pacific?

Mr. STEVENS: Yes, and the Cunard liners as well. Apparently the pier was not being used at all, and, as I say, grass was growing in the cracks in the cement. Why is that pier not used when it has four deep sea berths?

Mr. POWER: I am quite sincere when I say I do not recognize the description. Possibly it is the pier to which the Minister of Justice referred some time ago, which was handed over to the harbour of Quebec by the Dominion government and for which the harbour paid almost one million dollars. It is very costly and we have not been able to pay the interest on it.

Mr. STEVENS: Why is it not used?

Mr. POWER: It was built at the wrong place. Every berth in the harbour of Quebec last year was allotted to some company or other. This year I was present at a meeting between the harbour commissioners and representatives of the Canadian merchant marine, at which the latter requested the commission to make some arrangements whereby the merchant marine might be assured of a permanent berth in the harbour. It was impossible for the commission to give any such assurance because they had no berths at their disposal. They said that on certain days the vessels of the merchant marine might go to such-and-such a berth if it was not already taken up; but if it happened to be a week-end when there were a large number of immigrant ships coming in there would be no accommodation. There is a very large berth taken up by the Canadian Pacific who pay a rental of something like $20,000 a year. The Canadian Pacific Overseas Steamship Lines, Limited require a berth there for their own use whenever they have a boat in. For two or three days they may have no boat in the harbour, but they keep equipment, staff and everything necessary at that particular point. Now, it occurred last year and the year before, and it will occur on a number of occasions, that boats must wait outside. That condition was known to the shipping federation of Montreal; and for that reason they made the statement which appears in the memorial addressed to the government.

I must refer now to the remarks of the hon. member for West York (Sir Henry Drayton) regarding the two large boats that have been taken off the St. Lawrence route. These boats came to Quebec in the hope that there would be a large immigration last year; but for reasons well known to us all the immigration was not as large as had been anticipated. The quota law operated against any large number of immigrants being taken to New York, and it was found that, taking the eastbound and westbound sailings together, there were possibly a larger number of third class passengers from New York to Europe than there would be from Quebec, inasmuch as there are always a greater number of third class passengers travelling from the United States than from Canada. That explained why the immigration last year was not as large as had been hoped for. But the chief reason why the boats were taken off the St. Lawrence route is the fact that this is holy year, and hundreds of thousands of pilgrims have been going to Rome right along. For every third class, or first class passenger for that matter, going from a Canadian port there will be hundreds sailing from the United States. This however will be only a temporary

condition, and I may say that the Cunard line will retain their berth in Quebec, paying fifteen or twenty thousand dollars a year to the commission. They would hardly do that if they had any intention of leaving the port entirely.

Now, there is no intention of competing with Montreal. As has been said, vessels of over 15,000 tons cannot go to Montreal; they would never be able to go there if you dug until Domesday. The route to Montreal needs dredging in order to accommodate boats of that tonnage and it would be a physical impossibility for larger vessels to go to that harbour. Let me state the reasons. The water has fallen considerably in the St. Lawrence and in the months of August and September, the drier period of the year, it is not possible for vessels of over 15,000 tons to go up the river to Montreal. This lowering of the water is due as we all know to deforestation; it is clear that as fast as the trees disappear in the upper sources of rivers and lakes the water will flow so much more rapidly in the spring time and will be lower in the summer. That is known to anyone who has had anything to do with the settlement of timber areas.

It stands to reason, too, that when this country is opened and the trees removed the sun would evaporate the water on the surface, so naturally there would be less to flow through the river. Moreover, there is the Chicago drainage canal. It has been shown, perhaps not with sufficient exactness, that Chicago is taking so many cubic feet of water per second from the lake, and that this has materially affected the levels in the St. Lawrence. This I do not give as a fact, but it was stated recently, after the earthquake in the Saguenay region, that there was a tendency before, and particularly since the earthquake, for the surface of the Atlantic seaboard to rise, so that in the near future we would be more or less going uphill towards Montreal. This was stated by a prominent scientist who came to investigate the causes and effects of that earthquake. I do not give it as gospel. But there is no doubt that the water level is getting lower. There is no doubt also that the port of Montreal will not be able to furnish proper accommodation for vessels of large tonnage. Why, therefore, not develop the port of Quebec? I think almost every hon. member has read the report made some years ago by the Dominions Royal Commission, in which it was stated that the boat of the future would be about twenty or thirty thousand tons.

[Mr. Power.]

Mr. FORKE: They are building smaller boats now.

Mr. POWER: That may be because they have not much money since the war. However, this is the most authoritative statement that we have on the subject.

Mr. FORKE: I saw a statement the other day—

Mr. POWER: From Sir William Petersen?

Mr. FORKE: I saw a statement the other day that no more big boats would be built, they being economically unsound.

Mr. POWER: I read that article. It did not seem to have any great authority behind it. They are building boats much larger than will possibly be able to go up to Montreal. There is another argument urged against the advancing of this money—that the harbour of Quebec has not paid its interest, and that a sum of approximately eight million dollars is owing on this account. In answer to that, the Quebec harbour commissioners filed a contra account against the Dominion government amounting to $5,122,109. This contra account was arrived at by charging one dollar per head for every immigrant. One hon. gentleman said it was ridiculous to think of that, because neither Montreal nor St. John made such a charge. But in the harbour of Quebec the best portions are utilized for immigration facilities, and for these alone. We cannot get away from it; for generations immigrants have come through the harbour of Quebec until they have kind of got the habit. The ancestors of most hon. gentlemen, if not the hon. gentlemen themselves, came through the harbour of Quebec. Would they have liked to have had to swim ashore? Are they not glad we gave them a chance to land somewhere? We never charged them for coming in—we are glad they came. As has been pointed out by some hon. members on this side, every little parcel pays something to the harbour where it is landed. But the human freight, the immigrant, the man that is to build up our country, the bone and sinew of the Dominion, the man that goes to our western farms and has such a hard time to develop them and make money—he comes through there. We do not want to charge him anything, but we do want to get credit with the government, we want to be allowed at any rate to come before the country and say, "We want those facilities increased, we want to be able to receive immigrants well, and we do not want to be told that in doing that work we are dishonest in not paying

interest on our obligations to the Dominion." We have been doing this work for a long time and we have not got very much credit for it. We put in an account, an ordinary business account, and it is laughed at. No member of this House can go on anybody else's property and do what he likes there without having to pay something for the privilege. The very best portions of the harbour, as I have said, are used for immigration purposes, and we should get some credit for it.

Mr. CAMPBELL: Does my hon. friend state that at one dollar a head the amount against the Dominion government is over five million dollars?

Mr. POWER: I got the figure from sessional paper 194, being a return to an order of the House of Commons, dated March 30, 1925, showing in detail contra-account against the Dominion government for services rendered by the Quebec Board of Harbour Commissioners, and referred to in answer to a question on page 1262, of Hansard.

Sir HENRY DRAYTON: What year does it start?

Mr. POWER: A long time back—not long enough to give us all the credit which is our due for bringing in probably my hon. friend's ancestors, but long enough perhaps to have looked after some of my hon. friends who are immediately opposite.

Sir HENRY DRAYTON: What is the year?

Mr. POWER: Some hon. gentleman says the year 1492; I think he is referring to the Knights of Columbus. From 1860 to 1925 it amounts to $5,122,109.20

Mr. SPEAKMAN: I think the hon. member must be computing the immigrants at compound interest.

Mr. POWER: We are—but they are worth it. Why, my hon. friend from West York (Sir Henry Drayton) said the Minister of Justice (Mr. Lapointe) is worth five million dollars.

Sir HENRY DRAYTON: That is not enough.

Mr. KNOX: Do not the boats that bring in immigrants pay dockage dues?

Mr. POWER: They pay about twenty or twenty-five dollars apiece.

Mr. KNOX: Why had the Cunard to pay such a large sum?

Mr. POWER: They make their terminus at Quebec.

Mr. KNOX: Do they not bring immigrants in?

Mr. POWER: Yes, and freight.

Mr. KNOX: Do you not think that $20,000 is charged up to the immigrants?

Mr. POWER: I am quite sure it would not be, because all those shipping companies have been opposed for years to any charge whatsoever on immigrants. For years this has been urged by the harbour commissioners, both on this government and the former government; time and again we have asked to be allowed to make some charge for immigrants. I do not think there is any possible way of the steamship companies passing that charge on to the immigrants.

Mr. WOODSWORTH: Does not the hon. gentleman think the steamship companies have made enough out of the immigrant business to pay the bill?

Mr. POWER: I think possibly they have. I do not object to that statement at all, although I understand that their rates are fairly low at the present time. That does not help us.

Mr. KELLNER: Does the hon. member think that if the Dominion government were to pay this $5,000,000 bill, the harbour commissioners would pay the balance?

Mr. POWER: That at any rate would give us a start; we would be able to pay the annual interest charges at least when we had the proper berth accommodation for the boats which are expected to come.

Some hon. gentlemen opposite say they wish to help the port of Quebec; that they are prepared to do anything they can but that they think we have gone the wrong way about it. Instead, they say, of asking for equipment for the development of the port we should have gone to the railway commission or to the government or to somebody and obtained from them an assurance that we would get the benefit of lower freight rates. I think that is stating pretty fairly the position taken by some hon. gentlemen opposite. Well, may I point out to them that this work will take five years, so that we have five years within which to agitate to get the freight rates down?

Mr. CAMPBELL: We have for over twenty years been trying to get these freight rates adjusted and we have not succeeded yet.

Mr. POWER: We have been for a long time. But twenty years ago my hon. friend's friends and his party did not exist, and now that they do and they are willing to join with us, there should be a likelihood of our succeeding.

Mr. CAMPBELL: I would point out that the west was very liberally represented in my hon. friend's party at that time, and they failed to get it.

Mr. POWER: Yes, until they fell away. At that time they were liberally represented and they were good Liberals, but unfortunately perhaps the situation was not placed before them or was not shown to be as acute as it is to-day. There were other problems to be discussed then, and this one had not become acute.

Mr. CAMPBELL: Surely the hon. member cannot claim it was not acute when the railway was built for the express purpose of delivering our grain and cattle at the port of Quebec.

Mr. POWER: Well, that was one time the east and the west got together, and we put the thing through. If we get together on this thing we may put the next one over.

Mr. CAMPBELL: It was of very little use to us to build the road if there was no means of using it afterwards.

Mr. POWER: Quite so; we are in substantial agreement. Some of my Tory friends say that this is a political matter, well, if it does not go through and I get beaten, any one of them can simply come over here and get elected in my seat. What I was coming at was this; we are about to go over the whole structure of freight rates. We will have five years in which to discuss that. The leader of the Progressives said: "We will not need these things for two or three years more." Well, we will not have them for five years; we will not be able to berth a ship in Quebec until after five years have passed. Surely we will have come to some arrangement in this country for an equitable adjustment of rates before five years. If we have not, the collective wisdom of this country which has been gathered here working on this thing for the last three years, and those who will succeed us, will not mean very much. Indeed, it will be time for a change of government, in the sense not only of a change of the government party in power, but of a change in the system of government. If the people working on this for five years cannot arrive at a solution satisfactory to the people of Canada, then let us have some kind of dictatorship or something other than parliamentary institutions.

Mr. WOODSWORTH: Judging from the direction in which this country is travelling, where are we going to be economically in five years?

Mr. POWER: We are not so badly off, I think. We are not wealthy, but we are not bankrupt, and we have enormous natural resources. If some of my hon. friends over there will let us use them and make money out of them, we shall be able to pay our debt.

Now, I have taken up three times more time than I should, but I could not let this vote go by without saying a word in an endeavour to convince some of my hon. friends who are sympathetic but who apparently have not grasped all the facts. I am sorry it is not within my power to elucidate the matter further. But I would ask them to give to the matter the same sympathetic consideration that we have given to all other projects of the kind placed before us. There has been talk of discrimination in freight rates against Quebec. Do you not think, Mr. Chairman, that there has been discrimination in more than freight rates? We voted for Vancouver; we voted for Toronto; we voted for everywhere else, and never have we heard any such discussion as we have had from the moment the city of Quebec asked for what is proposed here.

Mr. WARD: I would like to repeat my question to the Minister of Justice; he did not see fit to answer it when I put it previously. My question was: Did he think it was in the best interests of this country that we should continue to deepen our waterways and our harbours and build huge canals to satisfy an obsession on the part of the shipping companies to build greater and greater ships, when proof has been given to us this session that the larger boats cannot be operated to-day in competition with the smaller and slower boats? I would like an answer from the minister on this point.

Mr. LAPOINTE: My hon. friend's question is really too long for a short answer. All I may tell him is that I believe we should have a deep waterway on the St. Lawrence route.

Some hon. MEMBERS: Carried.

Some hon. MEMBERS: Question.

Mr. WARD: I do not inflict myself on the House very often, and it will not assist the matter for hon. members opposite to call "Carried." I do not think there has been an item before this House in the last four years so absolutely unjustifiable as the one we are now considering, and I do not think it becomes hon. gentlemen opposite, when they have the whip hand, to call "Carried" and try to choke off hon. members who get up to speak.

Speaking in the House a few nights ago I drew attention to what I felt was an amazing situation, namely, the inflicting upon western wheat growers of elevators all over this country that we were protesting against. I think the government owe us an explanation as to why they are forcing upon us an elevator at Prince Rupert, an elevator at Halifax, an elevator at Quebec; and the hon. member for North Grey (Mr. Duncan) wants another elevator there. The only answer must be that it is very much more profitable to operate elevators than it is to grow grain. If this vote passes to-night it is just another few nails in the coffin of the present confederation. Is it any wonder that the secession talk is growing in western Canada, when a million and a half people in western Canada have been asking for the opening up of the Hudson Bay route for twenty, twenty-five, even forty years? Who is asking for these elevators that we are called upon to vote money for? We do not want these facilities, but we do want the Hudson bay route. If this vote passes, another 10,000 recruits will be added to the army of secessionists now in western Canada. Discrimination is being practised in this House and in this country to an extent that we people of western Canada are not going to stand for it very much longer. I have in my office and I have received this year a bundle of petitions covering several municipalities with upwards of a thousand names attached to them asking that some steps be made for secession of the western provinces from Canada. I do not know how we can expect anything else when we see the form of justice that is being meted out in this House, because since coming here the only form of justice I have seen is numerical strength. I am sorry to have been forced to make that remark, but it is a fact that the only form of justice applied here is numerical strength. It ill becomes the government of the day to disregard absolutely the protests of hon. members who may not agree with them in matters of this kind. They are simply putting a few more nails in the coffin of the present confederation.

Mr. LAVIGUEUR: I do not intend to take up much of the time of the House at this late hour after such a lengthy discussion on the port of Quebec, and as on many former occasions it has been my privilege in this House to vindicate the rights of the city of Quebec in regard to the promises made in connection with the development of that port. We have heard many of our Progressive friends state to-night that the port of Quebec should be developed and that they were in favour of using that port, but that first we should obtain a reduction in the grain rates. We have also heard the hon. member for West York (Sir Henry Drayton) state, I think we can assume in the name of his party, that the port of Quebec does not require any additional facilities or development for the present. We may take it for granted that the hon. gentleman does not agree with the declaration made by his late leader and with the moral and legal obligations assumed by the late government towards the city of Quebec. As regards the legal obligation, there was entered into between the government of His Majesty and the city of Quebec an agreement by which, under certain conditions and in view of certain sacrifices made by the citizens of Quebec, the federal government bound itself to develop and improve the port of Quebec in the best interest, not only of the city and province of Quebec, but of Canada as a whole. The city of Quebec handed over to this government property worth more than $3,000,000 for the benefit of the government, of the railway and port facilities in Quebec, on the special consideration that our ports and railway facilities would be developed as promised and agreed to by the late government. Moreover, when we had the honour of receiving in Quebec the former leader of the late government, the Right Hon. Sir Robert Borden, he announced to the citizens of Quebec that his government had acquired $3,000,000 worth of property along the frontage of the city of Quebec from Sillery to Champlain market; that those properties had been bought by the government in view of developing the port of Quebec, and that that was just the beginning of millions of dollars that the late government proposed to spend in developing that port. What does the present Tory party make of this moral and legal obligation which was assumed by their former leader to develop the port of Quebec? In addition to the numerous arguments that have been

advanced to-night in favour of the further development of the port of Quebec, I want to advance especially this legal and moral obligation. It has been stated in this House on many occasions that the government is always willing to fulfil its legal and moral obligations as it intends to do in the Home Bank situation. If this argument holds good in one case, I do not see why the moral and legal obligation towards the city of Quebec should not be fulfilled by this government.

The CHAIRMAN: Those in favour of the resolution will please say: Aye.

Some hon. MEMBERS: Aye.

The CHAIRMAN: Those opposed to the resolution will please say: No.

Some hon. MEMBERS: No.

And some hon. members having risen.

Mr. COOTE: Mr. Chairman, I want to put a question.

The CHAIRMAN: I draw the hon. gentleman's attention to the fact that the question has been put already.

Mr. HOEY: I understood that we were discussing this and about to carry it clause by clause.

The CHAIRMAN: No. The whole resolution has been discussed from one end to the other.

Mr. HOEY: But the understanding was that we were to vote on it clause by clause.

The CHAIRMAN: We started on it that way, but the whole resolution has been discussed.

Mr. COOTE: I was on my feet and calling your name, Mr. Chairman, when the question was put.

The CHAIRMAN: I draw the hon. gentleman's attention to the fact that he was not on his feet when the question was put.

Mr. COOTE: I was on my feet.

The CHAIRMAN: I have the right to decide that, and I decide that the hon. gentleman was not on his feet when the question was put.

Mr. WARD: I rise to a question of privilege.

The CHAIRMAN: No question of privilege can be raised after the question is put.

[Mr. Lavigueur.]

Motion (Mr. CARDIN) agreed to: Yeas 75; Nays 57.

Resolution reported, read the second time and concurred in. Mr. Cardin thereupon moved for leave to introduce Bill No. 160, to provide for further advances to the Quebec Harbour Commissioners.

Motion agreed to and bill read the first time.

On motion of Mr. Graham the House adjourned at 12.50 a.m. (Friday).

Friday, May 29, 1925

The House met at three o'clock.

RULES OF THE HOUSE

SPECIAL COMMITTEE TO CONSIDER REVISION

Mr. SPEAKER: I have the honour to lay on the table of the House the report of the committee appointed to consider jointly with me the advisability of revising the rules of the House. This report will appear in the journals of the House, and as it is very voluminous, its reading by the clerk assistant might perhaps be dispensed with.

Sir HENRY DRAYTON: Dispense.

COPYRIGHT ACT AMENDMENT

Mr. W. G. RAYMOND (Brantford) presented the third report of the special committee appointed to consider Copyright Bill No. 2.

GOVERNMENT OFFICES IN TORONTO

Hon. J. H. KING (Kootenay, Minister of Public Works): Mr. Speaker, yesterday the hon. member for North Toronto (Mr. Church) inquired as to what representations had been made to my department regarding the renting of certain premises in Toronto. In reply, I may say that the government has been approached by those interested in the construction of a new and modern office building in that city, it being suggested that accommodation could be supplied for the Department of Customs and Excise and also for the Taxation branch. The two departments of the government, that is, the Department of Public Works and the Customs department, have been in conference on this subject with the view, if possible, of providing better accommodation for these departments in the city of Toronto.

Sir HENRY DRAYTON: Will the minister kindly tell us who have approached the government in this matter?

Mr. KING (Kootenay): I do not think that would be fair.

Sir HENRY DRAYTON: Why not?

Mr. KING (Kootenay): I do not think their plans are yet matured.

Mr. MEIGHEN: Has the government given any undertaking or option of any kind?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: Has the Canadian National Railways?

Mr. KING (Kootenay): I have no knowledge as to that.

PRIVATE BILLS

FIRST READINGS

Bill No. 152, from the Senate, for the relief of Kathleen Mary Ricketts.—Mr. Stansell.

Bill No. 153, from the Senate, for the relief of Mary Alina Marguerite Peat.—Mr. Duff.

Bill No. 154, from the Senate, for the relief of Sadie Dennis.—Mr. Sheard.

Bill No. 155, from the Senate, for the relief of Isabel Davidson.—Mr. Bowen.

Bill No. 156, from the Senate, for the relief of Jacob Ross.—Mr. McMaster.

Bill No. 157, from the Senate, for the relief of John Delbert Boddy.—Mr. Stewart (Leeds).

Bill No. 158, from the Senate, for the relief of Edward Hugh Reid.—Mr. Ladner.

Bill No. 159, from the Senate, for the relief of Sidney Charles Simmons.—Mr. Clifford.

PRIVILEGE—MR. COOTE

On the Orders of the Day:

Mr. G. G. COOTE (Macleod): Mr. Speaker. I rise to a question of privilege. Last night, or rather early this morning, we were discussing a certain resolution regarding the appropriation to the harbour commissioners of the port of Quebec. After the hon. member for Quebec County (Mr. Lavigueur) had spoken I rose in my place and put a question to the minister, and the chairman ruled that I could not put the question as he had called for yeas and nays before I rose. I wish to repeat what I said last night, Mr. Speaker, that I was on my feet when the question was put. If the chairman did not see me I do not see how that could be ruled as being my fault. I appeal to you, Sir, as I understand that you are responsible for the proper procedure being carried on in this House.

Mr. SPEAKER: Order. Any such question should have been brought before the committee when the committee was sitting and an appeal from the decision of the chairman taken there and then, not later.

OPIUM AND NARCOTIC DRUG ACT, 1923, AMENDMENT

Hon. H. S. BELAND (Minister of Health) moved the third reading of Bill No. 46, to amend The Opium and Narcotic Drug Act, 1923.

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

SUPPLY

PUBLIC WORKS DEPARTMENT

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

Public works—chargeable to income—harbours and rivers, Prince Edward Island—Georgetown—repairs to freight shed on C.N.R. wharf, $1,200.

Mr. GARLAND (Bow River): This is a new item; perhaps we should have an explanation.

Hon. J. H. KING (Kootenay, Minister of Public Works): The Canadian National have a large shed on the wharf at Georgetown which is not being used by the railway authorities. It has been represented to the department that it could be made more useful for the storage of potatoes, and the Department of Public Works are taking it over and putting it in repair.

Item agreed to.

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

Mr. KENNEDY (Glengarry): How much was spent last year?

Mr. KING (Kootenay): $3,253.

Mr. MEIGHEN: Where is this money intended to be spent, and how much at each place?

Mr. KING (Kootenay): I am afraid I cannot give that information, because this is a contingent fund to take care of unforeseen conditions that may arise during the year. This year only two notations are made for expenditure, one at Sturgeon, $600, and the other at Skinner's Pond, $400. This item is, of course, entirely for Prince Edward Island.

Mr. MEIGHEN: Where was the money spent last year?

Mr. KING (Kootenay): The following are the places and amounts:

Charlottetown—repairs to scow	$238 07
McEachern—wharf repairs	288 02
Clifton—wharf	59 17
Grand River North—wharf repairs	378 86
Port Hill—wharf	515 30
Wood Island—south breakwater	61 75
Annandale—wharf	100 00
Franklin Point—wharf	391 88
Gordon's Point—wharf repairs	556 53
St. Mary's Bay—wharf	100 00
Panmure Island—wharf	124 83
West Point—wharf	146 21
Brudenelle—wharf	40 95

Item agreed to.

Higgin's Shore—wharf repairs, $2,300.

Mr. MEIGHEN: Where is Higgin's Shore?

Mr. KING (Kootenay): In Prince county. The expenditure is for repairs. It is recommended by the district engineer. The wharf has been very useful as a shelter for a large number of boats engaged in lobster fishing on the eastern coast of Egmont bay, there being no other landing in that vicinity for this traffic. The wharf is in bad condition, no extensive repairs having been made on it for some years, and unless repairs are soon undertaken it will very soon be impassable.

Item agreed to.

Kier's Shore—wharf repairs, $2,000.

Mr. HANSON: Was any money spent on this work last year?

Mr. KING (Kootenay): Yes, $5,567.

Mr. HANSON: What is the size of the pier?

Mr. KING (Kootenay): It is about 1,030 feet long. The wharf is an old structure which was badly damaged in the hurricane of 1923. It serves a rich agricultural district of several thousand people who have no near railway accommodation. It is the only wharf in the vicinity and it is important that it should be kept in good condition for shipping purposes, it is used by the local schooner trade.

Mr. HANSON: In what county is it?

Mr. KING (Kootenay): Prince county.

Item agreed to.

New London—harbour improvements, $20,000.

Mr. HANSON: The minister ought to give some explanation of this item; this is too large an amount for an ordinary wharf.

[Mr. Meighen.]

Mr. KING (Kootenay): I have a memorandum which I shall read:

The entrance to the harbour from the gulf of St. Lawrence lies between a rocky headline on the west known as Sims Head and the low sand spit to the east, which is from 500 to 1,500 feet in width,

Works for the improvement of the entrance, which is obstructed by a shifting sand bar, were commenced by the department in 1878 and consisted first of constructing a breakwater 1,050 feet in length on the sand beach on the eastern side; this work being chiefly a round timber open face crib filled with brush and stone, which some years later was extended by a square timber head block 150 feet in length. A breakwater 460 feet in length was also built on the western side of the entrance, the inner 400 feet of which consisted of piles, brush and stone, while the outer portion 60 feet in length was a square timber block 40 feet wide and close piles.

These breakwaters were constructed with a view of confining the ebb current and directing it on to the bar outside, as well as to prevent the sea from washing the sand into the channel inside and running parallel with the eastern breakwater.

This structure is at the entrance of the harbour and the purpose is to prevent the silting of sand from the sea into the channel.

Mr. GARLAND (Bow River): Is this the total amount required for the contract?

Mr. KING (Kootenay): No, it will take $32,000 to complete the contract, but $20,000 is as much as we can spend this year.

Mr. CALDWELL: What protected the channel previously?

Mr. KING (Kootenay): An old cribwork which this is to replace.

Mr. HANSON: Will this work be done by contract?

Mr. KING (Kootenay): Yes, by tender.

Mr. HANSON: Does the minister in every case advertise for public tenders, or does he send out a select list?

Mr. KING (Kootenay): We advertise publicly.

Mr. HANSON: Is that rule followed in every case? I have information that in the province of Nova Scotia tenders are not always called for but that a few selected persons are asked to tender.

Mr. KING (Kootenay): I do not know of anything of that kind; perhaps the hon. member will give me the information.

Mr. HANSON: The hon. member for Halifax (Mr. Black) has information to that effect but he is not here at present. However, I will ask him, when he comes, to give it to the minister.

Mr. KING (Kootenay): If that is the case I shall be glad to make an explanation, which I am sure will be satisfactory to my hon. friend.

Mr. MEIGHEN: Whom is this vote intended to elect?

Mr. KING (Kootenay): It is primarily for the good of the people of Prince Edward Island.

Mr. MEIGHEN: Which of these people in particular?

Mr. KING (Kootenay): If the hon. member would like to know, the district is in Queens county.

Mr. MEIGHEN: I think the money will be spent in vain.

Mr. GARLAND (Bow River): What is the real justification for this vote? The minister says that the work is intended to prevent the sand from silting into the channel. But how did the people get along before this wharf was promised them?

Mr. KING (Kootenay): This is not a new work; there was a structure there many years ago, indeed previous to confederation, but it needs to be replaced.

Mr. GARLAND (Bow River): That is all right.

Mr. MEIGHEN: How many boats were there last year?

Mr. KING (Kootenay): There were two sea-going vessels and seven inland and coasting vessels.

Mr. HANSON: What does the minister mean by sea-going vessels?

Mr. KING (Kootenay): I suppose they would be vessels going to Cape Breton.

Mr. HANSON: I would call those coasters.

Mr. MEIGHEN: So that there were nine vessels in all. About how many will this $20,000 bring—two more?

Mr. KING (Kootenay): The work will make it possible for them to continue to use the harbour.

Mr. MEIGHEN: The same nine?

Mr. KING (Kootenay): The same nine or other vessels, I do not know; the vessels do not travel on any schedule but simply come and go as the demands of the district require.

Mr. FORKE: Are there any fishermen there?

Mr. KING (Kootenay): There are fishing vessels, but we have no record of any of the smaller boats. What I have given is taken from the returns of the Customs department.

Mr. MEIGHEN: There were only nine arrivals throughout the year?

Mr. KING (Kootenay): That is, arrivals entered in the customs return, but we have no record of the smaller boats.

Mr. MEIGHEN: But those are the only vessels of any account that call?

Mr. KING (Kootenay): Oh no; there are fishing vessels as well. The harbour is used by the local trade.

Mr. MEIGHEN: There would be no record unless the vessels carried goods that entered the customs?

Mr. KING (Kootenay): Those are the vessels of which we have any record.

Mr. MEIGHEN: But there would be no record of vessels going to Cape Breton?

Mr. KING (Kootenay): I said Cape Breton, but they might go anywhere else. I want to be clear on that point. The customs returns show so many vessels having entered and cleared; but as I have said so often, there are local vessels coming and going of which no account is taken.

Mr. GARLAND (Bow River): What is the total amount that has been spent on this wharf up to the present time?

Mr. KING (Kootenay): Up to March 31 of this year, $62,093.20.

Item agreed to.

Nine Mile Creek—wharf repairs, $2,450.

Mr. KING (Kootenay): This is to repair a wharf twenty feet by eighteen feet, the damage having been caused by ice pressure, and to reconstruct entirely the outer portion of the wharf. The surrounding country is rich in agricultural products, and contains several hundred persons, a number of whom are employed in fishing, there being two lobster factories located in the district.

Item agreed to.

Souris—breakwater repairs, $36,500.

Mr. KING (Kootenay): This is a considerable sum. It is to keep in repair an important pier or breakwater which forms the harbour at Souris, which is an important harbour of refuge. It is used largely by the fish-

ing fleets of Nova Scotia and Prince Edward Island, as well as other fishing vessels that go to the banks off there. The engineer reports:

Since the face of the outer block was damaged in the fall of 1915 nothing has been done to make it secure, and although it has withstood all heavy seas and storms up to the present time much better than anticipated, it is now beginning to show signs of weakness and very serious damage is liable to take place at any time unless the stone face is extended along the seaward face and front of this block. The breakwater is a commercial necessity beyond question, for without the protection it affords Souris as a shipping and fishing centre could not survive.

The work is one of some magnitude, the sum of $498,685.33 having been expended on it up to March 31, 1925.

Mr. GARLAND (Bow River): What is the population of Souris?

Mr. KING (Kootenay): The town of Souris has a population of 1,100. The industries consist of fishing, cold storage plant, lobster factory, saw mill, and planing mill. I should like to emphasize the fact that this harbour is more than a local harbour for Souris. It is the eastern terminus of the Prince Edward Island railway, now operated by the Canadian National, and is largely used by the fishing fleets that ply off the coast of Nova Scotia.

Mr. CALDWELL: Is the railway to Souris a narrow gauge railway?

Mr. KING (Kootenay): Yes.

Mr. CALDWELL: Has the government ever considered widening the gauge so that this portion of the Prince Edward Island railway may be afforded more traffic?

Mr. KING (Kootenay): I have no personal knowledge of the matter, but I understand it is under consideration.

Mr. MEIGHEN: This is in the constituency of the hon. member for Kings (Mr. Hughes)?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: I understood he was to be taken care of otherwise.

Mr. KING (Kootenay): We are taking care of breakwaters now.

Mr. HUGHES: That remark is worthy of my right hon. friend (Mr. Meighen).

Mr. MEIGHEN: Is it not true?

Mr. HUGHES: I know the local conditions here, and I wish to give some information to the committee. This is essentially a harbour of refuge, and is largely used for that purpose. I myself have counted between sixty and seventy sail of vessels taking refuge there from a storm. That was before the war when the American fishing fleet operated in the gulf of St. Lawrence. Since the war the Americans do not come into the gulf of St. Lawrence to fish. But Souris is a very important fishing place for the Nova Scotia fleet, and I have frequently counted over thirty sail of vessels in Souris harbour during a storm. These vessels, with their equipment, are worth about $20,000 each, representing a probable total value of $900,000 at least. The average crew would number from eighteen to twenty men, so that the total number of all the fishing crews would be about 600 men. There is no harbour that will take care of that fleet on the north side of Prince Edward Island; this is on the south side near East Point. The fishing business could not be successfully operated in the gulf of St. Lawrence without harbours of refuge. Souris is the first harbour that the vessels could make after rounding East Point, and it is essential for the fishing business. As the minister has stated, Souris is the eastern terminus of the Prince Edward Island railway. The steamer plying between Pictou and the Magdalen islands calls there four times a week. There is also communication by auxiliary schooners propelled by steam power. In addition to that there is the ordinary local traffic. We have a fairly large schooner trade with the west and south coast of Newfoundland, and a reasonable traffic of the same kind with Nova Scotia. This breakwater was commenced before confederation. It was taken over at the time of confederation and has been extended until now it is sufficiently large to accommodate the immense fishing fleet that I have described. It is to be maintained for that purpose, and I say again it is hardly in keeping with the dignity of the leader of the opposition to insinuate that the member representing that part of the county had any unworthy object in recommending this work to the department. The district engineer has strongly recommended it. It is a work on Prince Edward Island that is of interprovincial importance; it is just as advantageous to the fishing fleet of Nova Scotia, and perhaps more, than to the fishermen of Prince Edward Island, although I suppose there would be thirty or forty local crews fishing out of that harbour. These are the facts in connection with this work, and I thought it advisable to give them to the committee.

Mr. MEIGHEN: I would never think of intimating that the hon. member had an unworthy object in recommending an expenditure in his county.

Mr. HUGHES: Then why the insinuation?

Mr. MEIGHEN: There was no insinuation; it was just the opposite. If the hon. member does not intend to seek re-election of course he could not possibly have an unworthy object. The hon. member's reasoning has just lapsed for the moment, that is all. My purpose was two-fold. First, I was anxious to get the hon. member to his feet because I thought he would know something of the local circumstances, and as he has shown that he does we now understand the situation much better than if he had not risen.

Mr. HUGHES: Thank you.

Mr. MEIGHEN: The minister, however, is sadly lacking, and one never knows just how sadly lacking he is until just a few days afterwards when he begins to hear the facts from the various localities. I get some startling information from time to time after the words of the minister reach the country. My other object was to find out—perhaps it was an unworthy curiosity—if the hon. member (Mr. Hughes) would deny the aspiration, but I notice he was discreetly silent on that point. Therefore I will have to take it for granted that the suggestion was correct. While we on this side of the House regret to lose him we certainly agree that in party service he has earned the promotion.

Mr. HUGHES: My right hon. friend's imagination is very strong.

Mr. HANSON: I understood the minister to say that there had been no damage to this breakwater since 1915. Well, I happen to have visited Souris within the last two years, and walked over that breakwater. My observation then was that it was in a very good state of repair, and I am rather surprised to find now an item of this size in the estimates having regard to the appearance of the pier when I saw it. Of course appearances are deceptive; the structure might be undermined. I quite agree with what the hon. member for Kings has said. Souris is a very important harbour on the southeast coast of Prince Edward Island, and it is quite proper to keep the structure up. But I question very much if at this time this very large expenditure is required; it does not so appear to the casual observer.

Mr. KING (Kootenay): My hon. friend, no doubt, would acquire a great deal of information from visiting Souris and walking over the breakwater, but he failed to observe the damage that has taken place. The district engineer reports that serious damage was done to the breakwater in 1915, and he recommends very strongly that its face be protected from further action by the sea.

Mr. HANSON: I have not very much faith in the report of the district engineers. They will report almost anything you want them to report.

Mr. KING (Kootenay): If my hon. friend has that opinion of any district engineer, will he give me his name?

Mr. HANSON: I do not know who he is, but I happen to know that in years gone by a district engineer could be induced to make almost any report.

An hon. MEMBER: Belle River for instance.

Mr. HANSON: Yes, that is a case in point—a most outrageous case.

Mr. KING (Kootenay): My hon. friend is discussing something he has no right to discuss. That matter is before the Public Accounts committee and there will be an opportunity to discuss it. And Belle River will be all right when it comes up. I think it is most unfair of my hon. friend to attack the engineering staff in that way. It will not add to the confidence of the people who have faith in these men. If my hon. friend has in mind any particular engineer he should report him to the department and we will investigate.

Mr. HANSON: I am much obliged for the castigation of the minister but I did give an instance, namely Belle River, where the facts disclosed show that the engineer's report was most exaggerated. He has doubled the population over and above the official statistics.

Mr. KING (Kootenay): We will wait for the evidence.

Mr. HANSON: We have had the evidence.

Mr. KING (Kootenay): My hon. friend has had some evidence, and is interpreting it for his own advantage.

The CHAIRMAN (Mr. Marcil, Bonaventure): The proceedings before the Public Accounts committee cannot be discussed.

Mr. HANSON: That may be true and I bow to the chairman's decision, but the minister asked a question, I answered it. I think that this is surely an important point, and if the minister is bona fide of the belief that this breakwater requires further expenditure, I

am satisfied that it should be made, but I am not just satisfied with the bona fides of the demand. This pier is in the same condition as it was after the storm ten years ago, and the matter can very well stand.

Mr. KING (Kootenay): That is contrary to the report of the engineer.

Item agreed to.

St. Peter's Bay—breakwater and beach protection repairs and reconstruction, $2,000.

Mr. CALDWELL: What is the traffic through this port?

Mr. KING (Kootenay): This appropriation is urgently required to reconstruct and strengthen portions of a very old work which was damaged and partly carried away by a hurricane which swept over the province, October 1, 1923. The work is wholly of a public nature, affording the necessary landing and protection to several lobster factories and a large fleet of fishing boats.

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

Mr. KING (Kootenay): The expenditure in 1924-25 was $3,038.65.

Mr. CALDWELL: What was done for that? Was it dredging or wharf repairs?

Mr. KING (Kootenay): Last year the vote was late, and the work was commenced at a late date and it was impossible to complete all the necessary repairs during 1924-25. Practically all the material required has now been delivered at site, and the beach protection work, 230 feet long, about completed, while sufficient repairs have been made on the balance of work to secure it until next year.

Mr. CALDWELL: My hon. friend speaks of beach protection. What form does it take? Is it in the form of rip-rapping with stone.

Mr. KING (Kootenay): It is cribwork with stone.

Mr. CALDWELL: How long?

Mr. KING (Kootenay): It is 1,450 feet in length.

Mr. CALDWELL: Speaking of beach protection, does that mean to keep it from washing away the shore, or what is the object?

Mr. KING (Kootenay): It is the entrance, and this vote is to maintain the harbour.

Mr. CALDWELL: Is it to keep the silt from washing in? Or to keep it from wearing away the shore-line?

[Mr. Hanson.]

Mr. KING (Kootenay): It is to keep the bank from going into the channel and blocking.

Mr. GARLAND (Bow River): Will the amount provided this year complete the job?

Mr. KING (Kootenay): Yes, that is the intention.

Mr. HANSON: The minister said there were a large number of lobster factories there. Will he tell us how many lobster factories there are, the amount of capital invested and the turnover? On visiting in the locality I was not very much impressed with it as a commercial centre.

Mr. KING (Kootenay): I have this report:

There are three lobster factories nearby employing 75 hands during the fishing seasons, while some 50 fishermen depend wholly on the fishing industry as a means of livelihood.

St. Peter's harbour is the only one on an exposed coast for a distance of 30 miles available for vessels with any considerable draft after rounding East point, and is used quite extensively by vessels of this class during the fishing season besides supplying the necessary shelter for many large motor boats freighting and fishing between the different small harbours along the north coast of the island.

Item agreed to.

Summerside—breakwater repairs, $2,000.

Mr. KING (Kootenay): The work proposed is the sheathing of the entire sloping face of the outer block, 130 feet long and 20 feet wide on top, with ten-inch hardwood timber. The district engineer states:

The repairs proposed are entirely of a public nature and considered absolutely necessary in order to maintain a valuable work that gives the necessary protection to the shipping trade of the port of Summerside. As the present plank sheathing has been badly damaged, there is great danger of the entire face of the outer block being carried away by running ice, unless the repairs and strengthening proposed are undertaken at a very early date.

Mr. CALDWELL: Is the pier faced with hardwood lumber or boiler plate?

Mr. KING (Kootenay): Hardwood.

Item agreed to.

Tignish harbour—repairs to breakwater, $4,500.

Mr. HANSON: How much was spent on this?

Mr. KING (Kootenay): The amount spent was $133,073.

Mr. HANSON: What is the nature of the repairs this year?

Mr. KING (Kootenay): My memorandum reads:

To complete work commenced during 1924-25 consisting of repairs to top portion of seaward wall of north breakwater for an average depth of eight feet and length of 250 feet, also to reconstruct top portion of south breakwater 100 feet long to average depth of six feet. Both of these works are twenty feet wide.

Mr. CALDWELL: Will the minister explain to us—and possibly I am revealing my ignorance by asking the question—just what these last words mean?"—"Appropriations not required for 1925-26." In view of the fact that the whole vote for Prince Edward Island last year was $29,000, how does it come that the $73,000 was not required? I see such items appearing in many estimates.

Mr. KING (Kootenay): It is a statement put in by the Finance department in making up their yearly estimates. These moneys have been expended and therefore they are not required.

Mr. CALDWELL: Having been expended?

Mr. KING (Kootenay): Yes.

Mr. HANSON: Expended last year.

Mr. MANION: Where the items are not mentioned in this year's estimates?

Mr. KING (Kootenay): Yes; they are off the slate.

Mr. HANSON: How much was spent in Tignish the last year and the year before? It seems to me this has become a hardy annual.

Mr. KING (Kootenay): The amount spent last year—$6,036.

Mr. HANSON: And the year before?

Mr. KING (Kootenay): I have not that information, but I notice in the discussion last year $2,700 was mentioned as the expenditure the year before.

Mr. HANSON: I suppose the minister could ascertain from the deputy that the year before that there were several thousand more.

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

Mr. HANSON: What is the principal reason why there is so much damage to the breakwater every year?

Mr. KING (Kootenay): These breakwaters are subject to the elements, and on an exposed coast there is bound to be damage. If the breakwater is decaying or out of repair, the damage is greater. Work of this kind requires constant care if it is to be kept in a proper state of repair.

Mr. HANSON: I can understand that along the Northumberland strait where there is so much ice, but on the east side of the island, is the water frozen up every year?

Mr. KING (Kootenay): It is right on the gulf of St. Lawrence. It is exposed.

Mr. HANSON: Is there ice damage on that side?

Mr. KING (Kootenay): I would think so.

Item agreed to.

Harbours and rivers—New Brunswick—Beaver harbour —wharf repairs, $3,000.

Mr. HANSON: Does the department own this wharf? When was it built and what is the condition of the wharf now?

Mr. KING (Kootenay): The wharf was built in 1909 by the Department of Public Works; it is owned by the government.

Mr. HANSON: Is any revenue derived from these public wharves?

Mr. KING (Kootenay): There would not be from this wharf.

Mr. HANSON: What is the condition of the structure now?

Mr. KING (Kootenay): The engineer reports that sea worms have destroyed the lower portion of the piles in the section of the work near low water level. Close piling will strengthen the work and, in addition, from a sheltered area back of the pier heads where boats can lie in safety during easterly and southerly storms. The wharf is used by Connors Brothers in landing freight and passengers twice a week and it is used extensively by the fishermen.

Item agreed to.

Black's harbour—reconstruction of wharf approach, $2,000.

Mr. HANSON: This is a good deal of money for a wharf approach at Black's harbour. Has a survey been made, and what is the nature of the approach?

Mr. KING (Kootenay): The engineer reports that the work has been damaged by ice and it is necessary to construct a block and span approach to the pier head of the wharf, 128 feet long and sixteen feet wide, made up of one shore block forty feet long, two blocks each twenty feet long and three spans each sixteen feet in length.

Mr. CALDWELL: Will $2,000 complete that structure? It seems quite an extensive structure for that amount. What is the height of the pier?

Mr. KING (Kootenay): I have not the height of the pier.

Mr. CALDWELL: Will the substructure of the pier be cribwork and stone?

Mr. KING (Kootenay): Yes.

Mr. CALDWELL: What is the traffic at Black's harbour?

Mr. KING (Kootenay): All export and import at Black's harbour are made by water, the nearest rail point being nine miles distant. The steamer Connors Bros. carries freight and passengers to this place for St. John and St. Andrews, and the public wharf is used extensively by other power boats. Black's harbour is the location of the extensive packing plant of Connors Brothers, Ltd. and has a population during the greater part of the year of 500. The annual pack is estimated at $500,000.

Mr. HANSON: Connors Brothers have their own pier?

Mr. KING (Kootenay): Yes.

Mr. HANSON: This wharf is for the convenience of the fishermen and the public?

Mr. KING (Kootenay): Yes.

Mr. HANSON: The steamboat is owned by the same concern. I understand she uses their own private pier.

Mr. KING (Kootenay): They would land at our pier.

Mr. HANSON: Is the minister sure about that? I think he is wrong.

Mr. KING (Kootenay): The engineer states that.

Mr. CALDWELL: I presume they use this pier for the general traffic and their own pier for their own private work.

Mr. KING (Kootenay): Yes.

Item agreed to.

Burn's (Belle Isle bay)—wharf improvements, $4,500.

Mr. HANSON: Where is this point?

Mr. KING (Kootenay): In the county of Royal. At the head of Long reach on the St. John river, I think.

Mr. CALDWELL: Would it be in Kings or in Queens county—because there is no "county" of Royal?

Mr. KING (Kootenay): Kings.

Item agreed to.

[Mr. J. H. King.]

Burnt Church—wharf repairs, $2,500.

Mr. KING (Kootenay): This is to put creosoted sheeting on the pierhead, replacing the present wornout covering and cap with concrete.

Mr. GARLAND (Bow River): Will this vote complete the work?

Mr. KING (Kootenay): Yes.

Item agreed to.

Campbellton—repairs to market wharf and to deep water wharf, $1,800.

Mr. HANSON: What is the nature of this?

Mr. KING (Kootenay): The work will consist of replacing the stringers which support the rails across the outer span, continuing filling of the western extension, making minor repairs to deep water wharf and resurfacing the entire surface of the market wharf with broken rock and gravel. This will provide a serviceable covering for several years.

Mr. CALDWELL: Is this used for shipments of lumber as well as fish?

Mr. KING (Kootenay): Largely lumber and fish.

Mr. HANSON: I think there must be something wrong with that information, because lumber from Campbellton is either lightered out from wharves owned by the lumbermen or loaded over private wharves. I do not think they ship the lumber over this wharf. I think it is used for the steamboat service.

Mr. KING (Kootenay): There are many shipments over this deep water wharf, which is in continual use by steamers and sailing vessels. It is a divisional point on the Canadian National Railways. It is an important point, as I think my hon. friend will agree.

Mr. MICHAUD: Campbellton and Bathurst are to-day the largest shipping ports of lumber in New Brunswick. There is no doubt that Campbellton as regards shipments of lumber is away ahead even of the port of St. John. This small item is necessary to improve the accommodation.

4 p.m.

In addition to lumber we are shipping fish to a certain extent, but not a large quantity, by rail and water. We certainly need this accommodation because we have in the harbour at the present time steamers from across the ocean trying to load up a large quantity of lumber which has been in the yards of the lumbermen throughout the winter. This wharf, I am informed, is necessary for the approach of cars and other means

of transportation such as small-bottom boats that come in between the two wharves, the market wharf and the deep water wharf. The engineer was sent there at the request of the citizens of Campbellton for the purpose of having the facilities improved for the transportation of our products.

Mr. HANSON: Do tramp steamers loading lumber at Campbellton use this wharf, or do they anchor in the stream and have the lumber lightered out to them?

Mr. MICHAUD: I know steamers load their cargoes at the wharf. I have seen them do so in previous years.

Item agreed to.

Cape Bald—breakwater repairs, $5,000.

Mr. GARLAND (Bow River): Mr. Chairman, I imagine the name ought to be changed. I do not think the place can be regarded as any longer "bald" after the votes of the last three years. I find that a total of $14,700 has been voted, if not expended. How much has been spent in the last three years on this particular breakwater, and what is the total amount voted to date?

Mr. KING (Kootenay): If my hon. friend had an opportunity of visiting the locality he would understand that it is well named cape Bald; it is a bleak, open spot on the coast. In all there has been spent $73,979. Last year we spent $2,544 of the appropriation voted.

Mr. GARLAND (Bow River): How much will be needed to finish this work?

Mr. KING (Kootenay): This will complete the repairs we have in hand at the present time.

Mr. GARLAND (Bow River): What has the minister in mind to then occupy the attention of the people down there?

Mr. KING (Kootenay): There may be another storm—they come up pretty regularly.

Mr. GARLAND (Bow River): Has the department any further plans for cape Bald?

Mr. KING (Kootenay): Nothing more than maintenance work.

Mr. GARLAND (Bow River): I hope the minister will be fortified against any further demands.

Mr. KING (Kootenay): This is for maintenance work.

Item agreed to.

Cole's point—wharf repairs, $2,700.

Mr. SPENCER: This amount is increased over last year. What is the explanation?

Mr. KING (Kootenay): We spent only $870 last year. This is to renew the upper tier of cross-ties, stringers, covering and cap timber on a section of the approach, 166 feet long by 30 feet wide, and on the pierhead, 60 feet by 30 feet. It is reported upon by the engineer as necessary to maintain the work.

Mr. HANSON: Where is Cole's point?

Mr. KING (Kootenay): In Westmorland county.

Mr. HANSON: Is there any traffic there? This is quite a large sum for a little wharf.

Mr. KING (Kootenay): It is practically for the ferry service across the bay.

Mr. HANSON: Years ago there used to be some lumber shipments also.

Mr. COPP: There are some yet.

Mr. HANSON: Very few. Will this be done by the department?

Mr. KING (Kootenay): Yes.

Mr. HANSON: Who will appoint the foreman?

Mr. KING (Kootenay): The district engineer.

Mr. HANSON: A little bit of patronage?

Mr. KING (Kootenay): I would not say that.

Item agreed to.

Dipper harbour—breakwater repairs, $5,000.

Mr. HANSON: This is quite an important breakwater, and the minister might tell us something about it.

Mr. KING (Kootenay): This is in the constituency of St. John and Albert. The work will consist of removing the old face of the piles along the outer edge of the breakwater for a distance of 65 feet and close-piling this area with squared timber ten inches thick, renewing the stringers, covering the cap on two sections of the inshore portion of the work, and re-topping 46 fenders. The district engineer states that the outer face of the breakwater is loose and gradually breaking away at the point where these repairs are required, and if the damage goes further, as it might at any time a storm blows up, the whole end of the breakwater is liable to be destroyed.

Mr. CALDWELL: I notice there is no item for St. John.

Mr. KING (Kootenay): My hon. friend will find an item for St. John under capital appropriations.

Mr. CALDWELL: Does the minister propose to build the Negro point breakwater this year? It is one of the very important works required in New Brunswick.

Mr. KING (Kootenay): No provision has been made in the main estimates.

Mr. CALDWELL: Enough money has been spent in St. John to have all the facilities necessary and a good many million dollars left over. The money has been spent on a part of the harbour that has never been used except for the dry dock. It may be that when we have a hundred million people we will need the Courtenay bay works, but in the meantime I think the government should consider the development of facilities where they are actually needed.

Mr. HANSON: Will this Dipper harbour work be done by contract or by day labour?

Mr. KING (Kootenay): By day labour.

Mr. HANSON: The minister should give us some declaration of principle. My impression is that most of the money is wasted when the work is done by day labour, and that a very much better return would be made to the country if the contract system was adopted. The fact of the matter is that a good many of these works are undertaken in small localities just before an election with the view of enticing innocent voters to support certain candidates.

Mr. KING (Kootenay): No.

Mr. HANSON: That never was thought of by this government in 1923 in Nova Scotia just before a by-election! But, seriously, I believe it would be more economical to adopt the contract system. I am not questioning the necessity of work at Dipper harbour breakwater. It is an important harbour along the bay of Fundy, and anyone who knows the bay is aware that these structures deteriorate very rapidly, one big storm undoing the work of years. The minister, I assume, is following the practice of the department? I think it is all wrong and that one hundred cents' value is not received for every dollar expended; that is my observation.

[Mr. J. H. King.]

Mr. KING (Kootenay): It is very difficult to estimate the expenditure on repair work, and men do not like to contract for it. If they do contract, they add a sufficient margin to their price to safeguard them against what may occur as they strip and expose the work. We have a well arranged engineering staff with a resident engineer in each district, and there is no reason why this repair work, under the proper supervision of the staff, cannot be done cheaper than by contract.

Mr. HANSON: If the repairs were done by men working for a private individual it no doubt would be done economically, but when done for a government it never is.

Mr. KING (Kootenay): I think so.

Mr. HANSON: Has the minister ever tried out the contract system? If so, where and with what success?

Mr. KING (Kootenay): It has been tried and found unsatisfactory.

Mr. CALDWELL: Having had some experience in matters of this kind I realize that it is difficult to give a contract for repair work, especially on a wharf, because until you dismantle the old wharf it is hard to tell just what work is needed. I would like, however, to back up the hon. member (Mr. Hanson) in the view that for new construction it should be the policy to call for tenders in every case.

Mr. KING (Kootenay): That is the practice.

Mr. CALDWELL: Of course where the repairs are carried out by day's work it should be properly supervised. Possibly the hon. member for York-Sunbury has been keeping bad company and that makes him a little more suspicious than I am in regard to these matters; at the same time I hope his remarks will be taken seriously so far as they relate to the letting of contracts for new work.

Mr. SPENCE: Is there ever to be any permanent work on these docks, wharves and breakwaters? Last year we spent $4,000 on this work, the year before $3,000, and this year we are voting $5,000. I will guarantee the whole job could be done for much less than that.

Mr. GARLAND (Bow River): Did the hon. member not hear the minister say that he was hoping for another storm?

Mr. SPENCE: For years this has been going on—breakwater after breakwater on the Nova Scotia and New Brunswick coast, money being simply handed out to people who are doing nothing for it.

Mr. DUFF: How do you know?

Mr. CARROLL: In Nova Scotia and New Brunswick we have a tremendous coast line, while in Ontario there is no coast line at all, but more money has been spent in Ontario this year than in Nova Scotia and New Brunswick put together.

Mr. MANION: As a matter of fact I think we have more coast line in Ontario than there is in Nova Scotia. There is a very considerable coast line around the lakes, and we do more business from some of those ports than is done from any port in Nova Scotia.

Mr. SNOWBALL: It is to be noted that on the lake shores such works are not subject to the attacks of the teredo worm as they are on the Atlantic coast. These old works that were put down some years ago and have been kept in repair were constructed of non-creosoted timber. I understand that at present creosoted timber is being used in any new work that is done. In repairing an old work it would not pay to tear it all up and start with creosoted timber at the bottom and work up again. As to the remarks of the hon. member for York-Sunbury (Mr. Hanson) with regard to the way this work is done, I feel that he has not been on some of these wharves and seen the difficulties that those who are carrying out repairs have had to contend with. Upon tearing up what they were ordered to work on by the engineer they may find further deterioration, so that the contractor would certainly have to make some provision for the unforeseen in that connection. In any work I have seen carried on—and I have had considerable to do with day's work and contract work—I have found that the work done by the government engineers and by the foremen in charge has been carried out in the same manner as if it had been done by a private concern or contractor. I have in mind at the moment some wharf repair work that was done a couple of years ago. It had been thought necessary to take off three or four feet, but when the engineer removed this he discovered that deterioration had taken place below and it cost a good deal more than originally estimated to carry out the job properly. It would be useless to put the top in good condition and leave the rest as it was. So that the only way this work can be carried on is by day's work. I am fully in accord with what was said by the hon. member for Victoria and Carleton (Mr. Caldwell), that all new work should be done by contract.

Item agreed to.

Escuminac—harbour improvements, $50,000.

Mr. HANSON: I think the minister ought to tell us something about Escuminac. This is the price paid for the election of the hon. member for Northumberland, N.B. (Mr. Snowball).

Mr. CARROLL: He is worth it.

Mr. HANSON: Time only will tell. I am not making any disparaging remarks about the hon. member, but in any event he came pretty high.

Mr. KING (Kootenay): This is a large and important work in the county of Northumberland. It is proposed to construct a crib-work breakwater 1,420 feet long which will give shelter to the boats of the fishing industry, which is an important industry at that point. The work is not a new one that is, its consideration is not new in the department. Parliament has at different times voted money for it, but up to the present the work has not been undertaken. There was a vote in 1910-11 and again in 1913. The district engineer reports as follows:

> The work is required for protection of the many fishing boats in the locality, and as a landing place for the Miramichi Steam Navigation Company's boat, which makes three trips per week. During the season of 1924 the salmon fisheries amounted to $90,000, employing forty to fifty boats having a draft of three and a half feet. There are employed in the other fisheries, —lobsters, herring, and so forth some seventy boats drawing three and a half feet, and fifty dories. Six lobster factories are located in this district, four of which are at Escuminac point, and two at bay St. Anne. Boats from both places would take shelter during storms, and it is certain factories would be established at the breakwater, were sheltered harbour provided. The approximate annual value of the lobster industry amounts to $100,000; annual value of the herring fisheries approximately $10,000. Cod and mackerel are in abundance, but lack of shelter prevents any extensive prosecution of this part of the fishing industry. Two hundred and forty men are actually employed in fishing, and three hundred hands are employed in the factories. The capital invested in boats, nets, rope, traps, and so forth, is estimated at $160,000 and the capital invested in factories, plants, etc., $75,000.

Mr. CALDWELL: Are there any boats using this harbour which have a draft of more than three and a half feet of water?

Mr. KING (Kootenay): No, they are mostly fishing boats.

Mr. CALDWELL: It is quite a large sum for the development of a harbour for the use of boats of that draft.

Mr. KING (Kootenay): It is a shelter for the fishing industry on the coast. It is a large industry, capable of great development.

Mr. HANSON: What have they done heretofore for shelter?

Mr. KING (Kootenay): They have been getting it at some other point, miles away from this locality.

Mr. SPENCE: How far away is the nearest point where they can get shelter?

Mr. KING (Kootenay): The hon. member for Northumberland, N.B., would have the local knowledge that I do not have.

Mr. HANSON: Let him tell all about it.

Mr. WARNER: I live where we do not have any harbours, and we do not know very much about them. Does the minister's department ever make harbours where there is not one near enough, in order to use some money for harbours?

Mr. KING (Kootenay): Not for that purpose.

Mr. HANSON: That is what the minister is trying to do now—to make a harbour where there is no harbour.

Mr. KING (Kootenay): That is quite true.

Mr. HANSON: I am not questioning the necessity for it, but I think we have not had enough information to justify an expenditure of $50,000, with more to come next year. How much is it going to cost to get the whole job done?

Mr. KING (Kootenay): To complete the whole scheme would cost $200,000.

Mr. HANSON: That expenditure would not be justified at Escuminac.

Mr. KING (Kootenay): We do not propose to spend that much at this time.

Mr. KELLNER: Is creosoted timber to be used in this new work?

Mr. KING (Kootenay): It should be creosoted timber.

Mr. KELLNER: But is it?

Mr. KING (Kootenay): My notes do not say that it will be used, but I imagine it is the practice down there to use creosoted timber.

[Mr. J. H. King.]

Mr. KELLNER: I suggest also that if you build a harbour at this point and take the trade away from another harbour which previously had it, the result may be to ruin that other harbour.

Mr. KING (Kootenay): Oh, no.

Mr. KELLNER: That is altogether different from the argument that was advanced last night in connection with another matter. I would suggest that the department be inspired to devise some means of building permanent harbours, at least sometimes. Here we have page after page of estimates for the repairs of harbours, and I think the time has about arrived when we should construct permanent works in our harbours. It would relieve the drain on the country materially. Surely the intelligence of the department in that line is not entirely exhausted. If the process of creosoting the timber will tend to preserve these works it must be a simple matter to have this done. The department might have been following that idea for some time now.

Mr. CALDWELL: Possibly there is one point that escapes our friends from the interior; and we are not blaming them for it. The hon. member speaks of building "permanent harbours." Did he ever hear of building a "permanent" railway? Fortunately we do not have to put through votes in this House to keep up the repairs of railways; if we did, one would soon wonder whether there was any method of building permanent railways. With regard to this particular vote, it strikes me that the expenditure of $200,000 on this harbour is rather an elaborate undertaking at the present time especially in view of the fact that the people concerned have got along without it until now. This is a critical time in our history and we should be very careful of every dollar we spend. I would urge the minister to make sure that this expenditure is absolutely necessary before he asks us to vote the money. Only recently have the people of this country become really seized of the necessity for economy in public and private matters alike, and until we in parliament begin to practise to some extent what we have been advocating in this regard we are only more or less like tinkling cymbals to the people. I have said repeatedly that in my opinion any government was to blame for spending a dollar which was not imperatively needed. I think that our estimates should all be pared to the bone and that no work should be carried on which could be got along without. This expenditure happens

to be in New Brunswick, and I am interested in the development of the harbours of that province, although I do not live on the coast, my home being in the interior. At the same time, I do think that the minister should be pretty careful how he authorizes the expenditure of the public money. A public work was asked for by the people in my own riding during this very session, and after the report had been submitted upon the matter the minister decided not to go ahead with the work. I told him I had no fault to find with that decision if he carried out the same policy throughout his whole programme. Of course, when economy touches your own riding you are apt to be sensitive. I feel much as the hon. member for Moose Jaw (Mr. Hopkins) recently expressed himself—it is not necessary for any one of us to get votes, but it is necessary that economy should be practised in the country. Speaking in this way may not get a man any votes, but it is my opinion that all these expenditures should be carefully scrutinized and criticized. I should like the hon. member representing the riding to give us some more facts than have so far been placed before us. I should be reluctant to cut out a vote if it were absolutely needed, but I certainly do think that we should have some information that would really justify us in voting such an expenditure as this.

Mr. MEIGHEN: I have only just come in, but I assume from the size of the vote that there was a by-election in this riding. Am I correct?

Mr. KING (Kootenay): There is no by-election there.

Mr. MEIGHEN: But there was one lately, and this is part of the harvest?

Mr. KING (Kootenay): That by-election is over.

Mr. MEIGHEN: But it is not all paid for yet.

Mr. KING (Kootenay): This vote has no relation to it.

Mr. MEIGHEN: The minister told us the other day that the vote for Trenton had no relation to a by-election in that part of the country; but some citizen of that town noticed the report in Hansard and wrote me a letter stating that on every platform that vote was promised if the government candidate was elected.

Mr. KING (Kootenay): I had no knowledge of it.

Mr. MEIGHEN: And he said it had been personally promised him several times. He reviewed all the promises the minister had made, sending a most complete disproof of every one of them; he established beyond question that it was nothing more nor less than a payment out of the public treasury for votes in the by-election. If the minister would like to have some of the contents of that letter read I shall be glad to oblige him. But I do not think he would like it.

Mr. KING (Kootenay): The vote for Trenton was passed some days ago, but I have no objection to the right hon. gentleman reading all the correspondence he has from his friends in Trenton. I know that he and they feel somewhat peeved about Trenton and the district of Hastings, but so far as the department is concerned there were no promises made to anyone.

Mr. MEIGHEN: I know that the deputy minister did not go there and make any promises. But I invite the minister's request now that I read the correspondence which I have referring to his statements in this House. I know the vote was passed, but it was passed on statements of the minister that were not true.

Mr. KING (Kootenay): I take exception to that.

Mr. MEIGHEN: I will support it.

Mr. KING (Kootenay): The hon. member has no right to make any statements of that kind.

Mr. HANSON: What has the minister to say about this vote and about the whole scheme? How much is it proposed to spend?

Mr. KING (Kootenay): I have already informed the committee that it is not proposed to complete the whole undertaking at the present time, but by building portions of the work we shall provide the necessary accommodation. They will have the needed shelter for the boats to enable them to carry on their fishing business.

Mr. MANION: How many people are concerned?

Mr. KING (Kootenay): There is a population of approximately 1,780 engaged in fishing and farming.

Mr. MANION: What proportion of them would be engaged in fishing?

Mr. KING (Kootenay): There are forty or fifty boats engaged in salmon fishing and other fisheries; there are seventy boats in the lobster and herring industry; there are six lobster factories located in the district.

Mr. HANSON: That would be the whole parish. Surely there are not six lobster factories located where this particular harbour is.

Mr. KING (Kootenay): Four of the six are at that point.

Mr. HANSON: Does the minister seriously suggest that there are 1,780 people in the immediate vicinity of the harbour? There are not 1,780 in the whole parish which is sparsely populated.

Mr. SNOWBALL: Possibly I can give a little more information in connection with this vote than some of the other members. The remarks made by the leader of the opposition (Mr. Meighen) and by my hon. friend (Mr. Hanson) were no doubt intended to cut me, but I am not influenced at all in what I have to say by any statements they may have made. It is true there was a by-election last fall in the county of Northumberland, and I had the privilege of winning by a majority of 670 votes; and my majority in this particular locality was less than fifty, my opponent having got a large share of the vote there. This would show that the breakwater, if it was mentioned, did not "cut any ice". Although I spoke in that locality, the breakwater was not mentioned except for a reference to what my predecessor at one time, Mr. W. S. Loggie, had done in trying to get the structure built there in 1910 and 1911. At that time he felt that a breakwater was a necessity. I do not think there is any man who has represented the county of Northumberland, or any county in New Brunswick, who holds so much the respect of both sides of this House as does Mr. W. S. Loggie. He felt at that time that a breakwater was essential in the interests of the fisheries of the Miramichi, and he did all he could to have a breakwater built. A survey was made, and tenders were called for. But for some reason—I think it was on account of some little dispute as to the exact locality; at any rate some local bickering—the breakwater was not built at that time. As far back as 1882 the necessity of a breakwater at this point was considered. Since then the fishing of all kinds in the Miramichi and the straits of Northumberland has materially increased so that to-day—and I think it has been the case for the last three or four years—drifters go out for salmon at night, leaving at sun down and coming in at daylight. They go out not only from that point but from other points on the north shore of Miramichi as far up as Burnt Church, and drift for salmon in the straits of Northumberland. They go out fishing as far as three miles from land, and if a storm occurs there is no harbour in which they can take refuge or no protection for them at that point. I remember that one time last year, early in August, we had a great deal of fear as to what would be the result of a storm that had occurred. We felt a great deal of trepidation as we watched for the boats to return, as we knew the danger and we feared that there might have been a disaster on account of the storm that had come up so suddenly and with such severity during the night. Fortunately there was no disaster, the explanation being that the storm did not last long enough to swamp the boats. Had the storm lasted, however, there would have been a disaster, so I was informed by one of the fishermen who was out at the time, as there were seventy or eighty boats fishing in those waters. If this breakwater is provided the fishery can be very materially increased. At present with no breakwater provided, these hardy fishermen undergo considerable risk going out night after night. I have a letter written by one of the largest shippers in the fishing industry in the district and he informs me that the value of the salmon, lobsters and mackerel caught in the Miramichi bay and Escuminac district last year was $400,000. This can be materially increased if there is adequate protection for the fishermen and the fishing fleet; if there is a harbour that they can run into in case of danger. Not every man, even although he is a seaman, is prepared to take risks and go out into those waters at night, staying there all night without any place to run into in case of danger. I received a telegram within the last few days from Father Paquin, of this district, who says that a storm came up the other night and the fishermen ran into Maclean's Gully or French Bay and took refuge. Fortunately they were able to run their boats in towards the shore, and by jumping out and pulling their craft over the sand bar, were able to reach a place of safety. I do not think that any industry which results in a product of the value of $400,000 being taken out of the deep should be curtailed, or that any community should continue to be placed at such a disadvantage as these people have found themselves in

for so many years. I feel that if we can increase the wealth we are taking from the Atlantic, or from the straits of Northumberland or Miramichi bay, we are performing a service equal to that rendered by increasing the yield of wheat in the west, or by adopting any measure to improve the harbours or public works in the province of Ontario or any other part of Canada. The people in that section of New Brunswick have no railway communication, which is a serious handicap. I may say that I hold a letter written on behalf of the former member for Northumberland. He was ill of pneumonia at the time the letter was written, in fact he is still laid up, and his son in his behalf writes as follows:

> Regarding the public works at Escuminac and Hardwicke which we understand are in this years estimate. Father has made the following notations: "You can say it passed in the estimates of 1910. Tenders were called for and contract ready to be executed. It is more important now than ever, before, owing to the increase in the number of salmon drifting boats." The above are father's remarks. Now I would add that when the vote was originally passed for the breakwater in 1910 there was not any salmon drifting. Salmon drifting has become an industry since that date, which as father states makes the necessity for the breakwater being erected greater than ever previously.

In view of this statement by a man of Mr. Loggie's experience, who knows the necessities of the province of New Brunswick and the county of Northumberland even better than I do, and whose honesty will not be challenged, I think no member would feel that he was justified in voting against this estimate to protect the hardy fishermen who go out and risk their lives from sundown to sunrise to bring in the products of the deep, and who do succeed in bringing in fish to the amount of $400,000 and some say this can be increased to a million dollars. I would therefore ask hon. members to favourably consider this appropriation and not take the risk of having the responsibility for a possible disaster in the Escuminac district placed upon their shoulders.

Mr. HANSON: At the risk of assuming some responsibility I should like to say that these hardy fishermen—and they are a hardy race—have survived without disaster for many years along that coast in the absence of this work, and at this time in the financial history of the country I am satisfied that if the matter was properly put before them they would be willing to make the necessary sacrifice to assist the country at this particular time in its history. I must confess that I am not impressed with the statement made by the hon. gentleman who has just taken his seat, that the appearance of this item in the estimates synchronizes in no way with the by-election that took place in the constituency last September. If my information is correct this is one of the reasons why the hon. gentleman received the majority which he did in that particular locality. As to salmon drifting being a new industry that is certainly news to me. It is not a new industry in the bay of Fundy by any means, and I venture to say it did not start last year in Miramichi bay.

Mr. SNOWBALL: It is not over four years since salmon drifting started in Northumberland straits.

Mr. HANSON: Well, they fished in some other way before they started drifting. The salmon fishing industry was carried on in boats in the Miramichi bay before I was born and before the hon. gentleman was born either.

Mr. SNOWBALL: The hon. member knows, if he has any knowledge at all of the matter, that he is not stating a fact. It is only within the last few years that salmon drifting has become a business of importance.

Mr. HANSON: I suppose then the fishermen swam out to their nets if they did not go in boats. Of course they have always had boats in the salmon fishing industry. However, I am not so much questioning the desirability of this public work, but I am questioning the size of it. An item that will grow into $200,000 is too much to spend in that particular locality at the present time. The minister says he does not intend to spend that much, but he will find that the very strong pressure that induced him to put $50,000 in the estimates this year, will result next year in another vote of $50,000, and so on until the whole scheme is fulfilled. My own experience is—and I will put myself in the judgment of hon. gentlemen here—that the minute you commit yourself to the principle of an expenditure of this kind you have got to go on with it. Therefore the minister will find himself in the position that next year he will be asked to put in the estimates $50,000 more, and so on, and so on. I venture to assert that there are not 1,780 people who would be served by this harbour, not one-third of that number, and yet statements are put forward to induce hon. members to believe that there is a very large industry in the district. There is an important industry there, but it has been magnified to justify this vote.

Mr. MANION: I wish once again to offer a protest against expenditures of this kind. Naturally I do not know much about this particular harbour down in New Brunswick, but I believe we are spending far to large amounts of money on unnecessary works at the present time. In Canada to-day we are going through a very, very serious time for every class of business and occupation. The people are being pressed down under a burden of taxation such as they have never had before. I admit that to a large extent it is due to the war, but nevertheless this is a time when we must endeavour to lessen that burden of taxation by cutting down our unnecessary expenditures. I do not deny that probably those fishermen down in that neighbourhood are happy to get the protection from the storms of the Atlantic coast. At the same time it seems to me that we might well let them wait a little longer, since they have waited so long, and we might let many other people wait a little longer for some of these works which we are voting money to build. This is a time in Canada when serious men are thinking seriously of the future of their country and are groping to find some solution of the problems of Canada, and yet we are spending millions—not thousands but millions—on all kinds of work which could very well wait for a few years. I do not say that all these works are not necessary, but a great many of them are not necessary at the present time. Never in the history of our country have we had such talk in reference to going into the arms of the United States as we hear to-day, when the country is suffering from the burden of very high taxation. But we hear this talk at present all over the country. We hear it in the smoking cars and we hear it from people on the streets, from men who would never have thought of such a thing ten years ago. And why? It is because of the depressed condition of all lines of business and the high taxation in our country. While I admit that the high taxation is mainly due to war expenditures, the continuance of that high taxation I say is due to unnecessary expenditures such as we are just now passing. I do not say that these expenditures are unnecessary for all time, but they are unnecessary at the present time, because we can wait a few years as we have waited in the past before making such expenditures. The only people who do not seem to realize that the people of Canada are demanding the cutting down of taxation is the government themselves. They seem to be quite oblivious of the fact that the people are demanding a cutting down of the absolutely careless expenditure and free giving of money.

I am going to put on Hansard a list of largely useless expenditures we have voted in the last few weeks in this House. This has a bearing on this item, inasmuch as I am giving reasons why this item and others like it should not be passed. I am going to give a list of expenditures, many of which, if not all, could have been avoided altogether. Last night we passed a vote for the Quebec Harbour Commission, $5,000,000. I do not say that the expenditure of all of that money could have been avoided, but certainly, judging from the discussion in the House last night, much of it was not required. Then we have the Prince Rupert elevator, a scandalous expenditure, $1,350,000, which was voted in this House the other day. This elevator is two hundred miles farther from Edmonton than the elevator at Vancouver. This $1,350,000 which is to be spent on the Prince Rupert elevator is just about as useful as a fifth wheel on a wagon.

Then we have the "Canada is coming through" advertisements, which cost, according to the reply given to myself, $2,893. Then we have the various royal commissions, the cost of which amounted in all to labout $1,000,000. Some of the commissions may have been needed, but many of them were not needed. The Pulpwood Commission cost $75,672, and the Grain Inquiry Commission, cost $169,707. Altogether, to pay for these different commissions meant an expenditure by the government of about $1,000,000. Then we had an increase in the salary of the Auditor General from $6,000 to $15,000 an annual increase of $9,000. These are small items but they point the direction the government is going, and show how absolutely careless this government is in regard to expenditures and how indifferent to the demands of the people that taxation be cut down; how absolutely careless they are in regard to the unemployment situation and the exodus of our people.

Then we have the matter of the discredited W. T. R. Preston, and the amount paid him was $11,217. He is still on the payroll. We have the trip to Wembley, which the chief government whip (Mr. Kyte) defended so strenuously in the House. I was surprised to see him defending with so much ability the ex-whip of the Progressive party (Mr. Johnston). If he had only risen in this House to defend the coal miners of Nova Scotia with

the same force probably he would not be so much in fear of his future election as he now is.

Then we have the purchase of the Union club in London, $2,000,000, which was absolutely unnecessary—it was no more necessary to spend $2,000,000 in the purchase of the Union club in London than it would be to spend money to purchase an aeroplane to fly to Mars. We have got along fairly well for thirty or forty years with the offices we have on Victoria street, but now we come along and purchase the Union club at a large figure. I have put it down at $2,000,000. It will probably cost three or four millions by the time it is completed with its furnishings which will be necessary for Mr. Larkin and his entourage.

We have the expenditure on the Canadian National Railways, and this is the worst of them all. The minister said that the government had no control and that they were leaving it to Sir Henry Thornton. Last year they added to the debt of the Canadian National Railways to the extent of $118,000,000. That appears in Hansard, at page 1151 where there is recorded the government's reply to a question by the hon. member for West York (Sir Henry Drayton): In that amount is included such expenditures as the following:

Radio, capital and upkeep..	$181,292
Golf links, Jasper park..	124,290
Golf links, Manaki park..	94,632

Last year—and not included in the $118,000,000—was the expenditure of $2,000,000 on the Scribe hotel. I understand they have got out of that, and have received back their two million by some fluke.

Mr. MEIGHEN: No, no.

Mr. MANION: My right hon. leader knows more about it than I do, and he says, that they have not got their money back. It was published in the press that they had. Then we have the fire insurance premiums paid on harbour commission property, Vancouver, $30,895, which was absolutely unnecessary, because in other cases they do not have fire insurance at all on government works.

Mr. KING (Kootenay): Oh, yes.

Mr. MANION: I am told they do not.

Mr. KING (Kootenay): The harbour commissioners would be remiss in their duties if they did not have fire insurance.

Mr. MANION: I am glad I have stirred up the minister to make a reply to me. I understand none of the government buildings are insured. Then we have the public works, dredging, docks, repairs, and so forth, $12,000,000. That money is to be spent on public works from current income. I do not say that that $12,000,000 is wasted, but certainly under present circumstances we could probably cut out half of it.

That is the list—I think it is worth while recording it—of some of the unnecessary expenditures; not all of them unnecessary of course, but a large proportion entirely unnecessary in these times of depression and high taxation.

My hon. friend from Parkdale (Mr. Spence) suggests ocean rates investigation also. I do not know that I would put that in the list, and I do not know what it will cost anyway.

It is time to call a halt so far as these expenditures are concerned if we are going to lessen taxation. When I see such items as this $50,000 which is being opposed and questioned very severely I may say that I see no reason for the expenditure at the present moment, although it may be advisable in the future. I wonder why the government is anxious to provide for the construction of all these enterprises at the present time. I might refer to the Carillon dam proposition. What is the necessity for these large expenditures and contracts at the present time? Why is the story going around Toronto that the government are entering into another big deal there? Is it in order to raise campaign funds? I find myself asking the question, is it to finance the next election? I see the hon. member for Springfield (Mr. Hoey) shaking his head.

Mr. HOEY: I was not shaking my head seriously.

Mr. MANION: I am glad he makes the explanation.

Mr. MACLEAN (York): Is the hon. gentleman speaking from experience?

Mr. MANION: No, I never had much experience in elections except in a small way. I would not however claim that all crimes of that kind are committed by one party. But I am speaking of the present.

Mr. SPENCER: Did the Liberal party raise campaign funds in the way the hon. member suggests?

Mr. MANION: I have no doubt they did. I did not get any of them. I was not a candidate in those days, and I do not know anything about that. There is no criticism of campaign funds. In England, where my hon. friend comes from, they publish campaign funds and boast of the amount they raise. So my hon. friend need not assume the injured air he does. The crime comes in if

you raise them at the expense of the people of Canada. I find myself wondering, as I look over all these big expenditures, if this is an attempt to raise campaign funds or if it is merely pure blindness on the part of this government as to the needs of the country?

Mr. KELLNER: What conclusions has the hon. member come to?

Mr. MANION: I do not care to tell them. I might be arrested if I told them all. This item of $50,000 is a new item, and nearly all these new items are for places in which there were by-elections lately, where my hon. friends over there got elected. One notices all these things coming out after the election is over, and this makes me wonder if they are not being used for that purpose.

This governmenet is a prodigal government. It has been prodigal in promises, prodigal in breaking them, prodigal in spending the people's money, and prodigal in everything in which serious men are economical. I want to warn the government that if they go on—and, in fact, whether they go on or not, the same result is going to happen—ignoring the demands for economy and reduction of taxation as they are doing, they are going to receive the same penalty, to have the same result happen to them as that which happened to Mr. Drury with his crowd in Toronto recently.

Mr. MacLEAN (Prince): What about the government of which my hon. friend was a member?

Mr. MANION: What about it?

Mr. MacLEAN (Prince): What did it get?

Mr. MANION: We were too economical. That was the trouble. We refused all these public works that my hon. friends are spending money on now. I want to warn this government that it is the opinion of all thinking men in the country that the government has no conception whatever of the method of cutting down these expenditures or of reducing taxation and, as I said on another occasion, no conception of the government's own impotence on occasions of this kind.

Mr. COPP: More money was appropriated in 1921 than to-day.

Mr. KING (Kootenay): I do not wish to continue the discussion at any length, but my hon. friend (Mr. Manion) repeated a speech which he made a few days ago.

Mr. MANION: No, it is an elaboration.

[Mr. Manion.]

Mr. KING (Kootenay): At that time I pointed out to the House that the expenditures during the regime of the late government of which he was a member were much greater than the expenditures during the regime of the present government, and that the total vote this year is nearly $2,000,000 less than it was last year. As my hon. friend was so anxious to get his remarks on Hansard that he thought it was necessary to repeat that statement, I think I had probably better repeat the comparative statement which I gave the other day. In 1909-10, the government of that day saw fit to vote for public works $13,058,912. In 1911-12, that amount jumped to $24,301,000.

Mr. SPENCE: There was some business then.

Mr. KING (Kootenay): There was good business in Canada prior to 1911. Things were going on well.

Mr. SPENCE: After that they were.

Mr. MEIGHEN: Will the hon. member tell the committee that that year we paid off $25,000,000 of the public debt?

Mr. KING (Kootenay): That would not be much of a feat at that time.

Mr. MEIGHEN: It is the greatest feat that has been performed in Canada. No larger amount was ever paid off in our history.

Mr. KING (Kootenay): In 1912-13 the government of that day voted $31,671,000 for public works. In 1913-14, the first year of the war, the government of that day voted $48,819,000 for public works.

Mr. MEIGHEN: That was not during war time at all.

Mr. KING (Kootenay): That was the first year of the war.

Mr. MEIGHEN: The appropriations were all passed before war broke out—

Mr. KING (Kootenay): I said so.

Mr. MEIGHEN: —when hon. gentlemen opposite were assuring us there was no possibility of war at all.

Mr. KING (Kootenay): All right. I am going to give the committee the figures for 1914-15, which was a war year. The government of that day voted $47,154,000 for public works.

Mr. MEIGHEN: What was that for? It was absolutely essential for war purposes.

Mr. KING (Kootenay): The year 1915-16, was the year in which the government should have gone to the country.

Mr. MEIGHEN: Was it? Some of us thought so, but every hon. member of the Liberal party at that time declared that it would be a crime to go to the country.

Mr. KING (Kootenay): But that was the year when the right hon. member thought they should go to the country.

Mr. MEIGHEN: But every Liberal paper in the country was shrieking with rage for fear we would.

Mr. KING (Kootenay): Oh no. In the year 1915-16, we find $34,599,000 for public works.

Mr. MEIGHEN: Let the minister tell us what they were for.

Mr. KING (Kootenay): For public works.

Mr. MEIGHEN: I know what they were for. They were not for breakwaters.

Mr. KING (Kootenay): These were not for war purposes at all—ocean terminals and so on. They had their Halifax terminals being constructed at that time.

Mr. MEIGHEN: It is too bad they were not completed.

Mr. KING (Kootenay): It is too bad they were undertaken at all; they spoiled a good harbour. The year 1919-20, was a lean year, the amount appropriated for public works being $22,479,000. In 1920-21, the last full year of office of the late government, $22,680,000 was appropriated for public works. In 1922-23, the first full year that this government was in power, our total appropriation was $16,784,000 and the vote for this year is $17,157,000.

Mr. MEIGHEN: The amount during the war period was high and necessarily so. The great bulk of the expenditure was for essential purposes incidental to the time, not for ordinary public works expenditures at all. The ordinary public works expenditure was more than cut in two immediately that time was over, but the rate of reduction suddenly ceased when my hon. friends took office. It went down, it is true, but very little. Now it is starting to rise on the eve of an election.

Mr. MacLEAN (Prince): The right hon. gentleman is condemned by his own argument. The very fact, as he says, that this was not spent for public works—

Mr. MEIGHEN: It was, but what were the public works? What caused them?

Mr. MacLEAN (Prince): We know that the money was spent in large measure on unnecessary works such as the

5 p.m.

Halifax terminals, and my right hon. friend cannot deny that. The very fact of his contention makes it necessary that the public works of this country be attended to. In my county, when this government came into power every public work right along the coast line was falling into decay. It was absolutely necessary that money should be expended to provide facilities for the fishermen of that vicinity. The very fact that our good friend from Fort William and Rainy River (Mr. Manion) at this moment raises the cry of economy makes me wish that he had been as sincere in that regard when he was a member of the preceding government. I think if he had been, and had carried out the policy which he is asking to have followed at the present time, this country would not be in the condition that it is to-day. Our hon. friends opposite cannot deny that even before the war they increased the total debt of this country at a rate that has never been paralleled in its history.

Mr. MEIGHEN: Does the hon. gentleman know what he is talking about?

Mr. MacLEAN (Prince): Certainly.

Mr. MEIGHEN: Well, will he—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: I am asking a question Will he give us the year before the war in which we increased the expenditure, and the amount?

Mr. MacLEAN (Prince): Yes; from 1911 to 1914.

Mr. MEIGHEN: Let us have the figures now.

Mr. MacLEAN (Prince): They increased the expenditure at a rate never before paralleled in the history of this country. Of course, during the war we know what happened. The deficits that they rolled up every year they were in power have never been equalled in our history, and I hope they never will be, the total reaching the tremendous sum of over $674,000,000 in their last year in office. When our friends opposite read us a lecture to-day on economy in public expenditure, I think it is time for some hon. member on this side of the House to rise and call attention to their past record. I know that in my province the public works were neglected by the former government, and when this government came into office it was absolutely

necessary that that neglect should be attended to. In regard to this particular vote, I do not know whether it is necessary or not, but I know in our own province there are places where it is urgently necessary that the fishermen should receive some assistance; and certainly if any portion of our community deserves something at the hands of the nation it is our hardy fishermen. I have been asking for small amounts to be expended in my own county, but I am sorry to say so far I have been refused. I know—

Mr. MANION: You have no by-election pending.

Mr. MacLEAN (Prince): I know these people should have some consideration, and I sincerely trust that they will not be overlooked. I have a case in my own constituency where the fishermen are on an absolutely unprotected coast, and they have to beach their boats by hand to a point of safety every night. They have asked for assistance; it has been refused by every government. Last year they asked for an engine and a wire cable to assist them in handling their boats; but this too has been refused. This year they have asked for a small vote, they to provide the equipment, but up to the present the government has refused their request. I am only pointing this out to show the difficulties those men labour under. I think if hon. gentlemen could realize the difficulties which these fishermen are labouring under they would not refuse them assistance at a great many points.

Mr. MANION: Mr. Chairman, I do not wish to prolong the discussion on this item, but the remarks of my hon. friend from Prince (Mr. MacLean) call for a reply. He and some of his friends have stated that I have confined my criticism to the acts of this government. I have criticized wherever I felt criticism was necessary, and I did not spare my own party; on one occasion I had the courage to vote against it, which is something that my hon. friend has never been able to bring himself to do. I repeat, I was not afraid to criticise my party nor to vote against it. But supposing the facts are correct as stated by the Minister of Public Works (Mr. King), that we spent too much money in our time, is not that all the more reason for my argument being correct to-day? Certainly it is all the more reason why we should be more careful of our public expenditure at the present time. If we committed sins—which I do not admit—are they going to copy us on all occasions? That is always their retort: You did pretty much what we are doing. But that is no argument. Our expenditures were mainly due to the war. I submit that to-day conditions are bad throughout the country, there is great depression in business and an exodus of our people across the line, and high taxation is largely the cause, and therefore it is all the more important that at this time we cut out every unnecessary expenditure. No matter what was done years ago, it is the duty of the government to act for the present. I submit once more, that it is time in all departments of government to call a halt in expenditure, and that will be our policy if we should get into power at the next election, as I know we will.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: I am speaking with the consent of my party—I dare the government to go to the country this fall.

Some hon. MEMBERS: Oh, oh.

Mr. MANION: My hon. friends will laugh on the other side of their faces after the next election, for undoubtedly the electorate will then tell the government in unmistakable terms what they think of its ignoring their repeated protests against extravagant expenditures and burdensome taxation.

Mr. MURDOCK: Mr. Chairman, my hon. friend from Fort William and Rainy River (Mr. Manion) has referred to this question on various occasions—

Mr. MANION: It is a serious question.

Mr. MURDOCK: —and I have hurriedly gone over some figures to indicate what government has been guilty of the greatest "spendomania"—I presume that is a good word for my hon. friend—in recent years. I find that roughly the Liberal government in the last eight years that it was in office before my hon. friends came into power in 1911 spent approximately $123,000,000 on public works. Then in 1911 my hon. friend's party succeeded the Liberal party, this party that now wants us to believe that they are the only Simon-pure conservators of the people's money, and in the first four years they were in office they spent $160 000,000 on public works. A few moments ago the right hon. leader of the opposition (Mr. Meighen) undertook to prove that 1914-15 was a pre-war year. All right, we will take it at that. What did his government do in 1913-14 and 1914-15, both pre-war years? In those two years more money was spent on public works than in any other years in the history of the country;

in 1913-14, $48,000,000 odd, and in the next year, 1914-15, $47,000,000.

Mr. LADNER: Does not the minister consider this important fact, that to-day we have a debt of $2,400,000,000?

Mr. MURDOCK: I do consider that fact, and I know only too well who is largely responsible for the enormous debt, or many millions of it, that we have to-day.

Mr. LADNER: The Germans are mainly responsible.

Mr. MURDOCK: Worse than Germans at home were responsible for a large proportion of it.

Mr. GARLAND (Bow River): Mr. Chairman, I rise to a point of order. I must congratulate you on your leniency so far in this discussion.

The CHAIRMAN: You need not bother with the compliment. What is the point of order?

Mr. GARLAND (Bow River): I suggest to you, Mr. Chairman, that this discussion is entirely out of order, having nothing whatever to do with the vote now being dealt with.

Mr. CHAIRMAN: I do not know that the discussion is altogether out of order, although I agree with the hon. member that it is getting that way; but the question of governmental extravagance, based upon one particular vote, has been generally debated.

Mr. GARLAND (Bow River): I agree with you as to that, Mr. Chairman. The only point I wish to suggest for your further consideration is that we are not now dealing with the question of general policy; the discussion is simply a rehash of the old story of the other party being at fault.

Mr. MURDOCK: Mr. Chairman, I agree entirely with my hon. friend from Bow River (Mr. Garland), but I think it is a matter for regret that the point was not raised by him sooner. Surely, after this parade of language for campaign purposes, my hon. friend would not expect us to sit here as dumb as oysters and not say a word of correction in reply?

Mr. MANION: It would be a new experience for the minister.

Mr. GARLAND (Bow River): I agree with the hon. minister, and I think that a straight and proper denial of the remarks, if they can be denied, is admissible. But for the hon. member to go away back into the past history of the party for generations is in my opinion a waste of time. I do not think either of the old parties is worth the time that has been wasted on them in this connection.

Mr. MURDOCK: I think it would be reasonably close to the discussion that has been going on to indicate that in the last eight years of the Liberal government's previous regime some $123,000,000 was spent on public works, while in the first four years after 1911 that these hungry gentlemen opposite were in office they spent more than $160,000,000 on public works. And now, when the vote for public works is about as low as any public works vote since they originally took office in 1911, my hon. friends talk about the lack of economy. The hon. member for Fort William and Rainy River (Mr. Manion) ought to stick more closely to facts and not undertake to fool the people of his constituency and other constituencies in Canada as he has attempted to do by a parade of figures that are not in accordance with the facts.

Mr. MEIGHEN: One is always delighted, even aside from whether there is any substance in it or not, to listen to the measured accents of the Minister of Labour. We never know just what the final verdict of an intelligent community is going to be—

Mr. MURDOCK: We have it in West Hastings.

Mr. MEIGHEN:—until we hear it pronounced.

Mr. MURDOCK: And we are going to have it in a few other places too.

Mr. MEIGHEN: We have had a purchased verdict and we are now paying the purchase price. I was anxious a while ago to give the proof but the Minister of Public Works would not let me. This government is not only commencing extravagant expenditures under the conditions of to-day, but—and this is the worst feature—it is launching this year upon large commitments which are only represented in the estimates by relatively small amounts, in order to keep down the total and enable the Minister of Labour to expatiate throughout the country upon the total of this year. But the commitments this year run into fabulous figures. The vote now before us is only one quarter of the total commitment, and the same applies to scores of votes through the list. What is more, this government has abandoned the practice of having the estimates represent its real com-

mitments for the year. This government ran away from that three years ago and has kept away from it ever since. What about last night's expenditure? Is it in the estimates? Is it a public work? No, it is not in the estimates.

Mr. KING (Kootenay): Such appropriations have always been provided by separate bills, under the late government as well as this government.

Mr. MEIGHEN: Very good; and this government takes care to make its chief commitments there. What about all these railway expenditures? They were always in the estimates before, every one of them, but there is not one in the estimates this year. The government chooses another method to keep the figures down and allow this parade to go on, and all the while where is the debt going? The actual debt has gone up $262,000,000 since this government came in, and it is just because of this. But the worst feature is that they are tying the country's hands so that there will be no chance of any other government reducing. That is their main object.

Mr. MURDOCK: No other government will be invited to do anything of the kind.

Mr. MEIGHEN: The hon. gentleman's noise would be more appropriate when he is on his feet; it is bad enough at all times. While I am on my feet I want to give a summary of the knowledge of public affairs on the part of some hon. gentlemen opposite. I do not do this in castigation of the hon. member for Prince (Mr. MacLean) for I know he dutifully takes his politics from others, and perhaps that is the best thing for him to do.

Mr. MacLEAN (Prince): Thank you very much for your courtesy.

Mr. MEIGHEN: But I do it chiefly with reference to the hon. Minister of the Interior (Mr. Stewart) who is the father of this canard about a large increase in the public debt of this country prior to the war by the late administration. I put before the House on a previous occasion a statement he was reported to have made in Edmonton. I read the report in which he was quoted as saying that we had increased the public debt 46 per cent before the outbreak of the war. I gave the figures then, taken from the public records, and I asked the Minister of the Interior to look it up and see if he made such a statement and if he did not, to rise on the orders of the day and put himself right. We have never heard from him since. The public records show—I have them before me—that the debt of Canada ws increased in the year ending March 31, 1911—that was the last year of the Liberal government—by $3,773,506; that in the year ending March 31, 1912 the debt of Canada, taking in everything, was reduced by a small amount, some $122,591; that in the year ending March 31, 1913 the debt of Canada was reduced $25,647,836. These are the figures to which I referred when the hon. gentleman (Mr. MacLean) was on his feet and which at the moment he violently and vituperously denied. Will he deny them now?

Mr. MacLEAN (Prince): Yes, I still deny them.

Mr. MEIGHEN: I thought he would. It is the function of the hon. gentleman to deny the facts from the public records.

Mr. MacLEAN (Prince): That does not convey all the truth. These were receipts that were left in the treasury by the other government. Let him go on now and cite the record from that on.

Mr. MEIGHEN: The hon. gentleman talks like a child. Do not let us have such infantile nonsense. If the government had receipts they would put them on the debt. The cash, as anybody knows, at the end of the year is deducted from the national debt for that year. Everybody knows that who has any license to be out of his cradle. It was in each year of the Liberal government, as it ought to have been, and was in every year under every government. For the year ending March 31, 1914, the year in which we had to provide $15,000,000 for the precious Grand Trunk Pacific railway, the debt of Canada was increased $21,695,000, of which $15,000,000 was to provide for the Grand Trunk, then in decrepitude, left by hon. gentlemen opposite. But aside from the causes, all I want to point out is that the residue of the whole three years shows that instead of an increase right up to the outbreak of the war there was decrease in the public debt of Canada of approximately $4,000,000, a little more.

Mr. MacLEAN (Prince): Will the right hon. gentleman say that is in accordance with the balance shown in the revenue and expenditure?

Mr. MEIGHEN: No, of course it is not. Revenue and expenditure is consolidated revenue and consolidated expenditure. This takes in capital, every character of commitment, and gives the net result at the end of the year. That was the result to the outbreak of the war. I have stated this mainly that I

may bring it again to the attention of the Minister of the Interior, and I ask him once more to rise on the orders of the day, when he will have the right to do so, and let this House know whether the statement attributed to him in the Edmonton Bulletin is correct, and if it is not correct, to deny it. If he made an error I think he is man enough to stand in the House and correct that error. I direct my remarks chiefly to him because I know it is from men of his eminence that others have taken the cue and have fallen into this very gross and very manifest error, demonstrably so from the public records.

Mr. MacLEAN (Prince): I think it is only fair that my right hon. friend should give me credit for what I did say. I referred to the deficit when I was speaking.

Mr. MEIGHEN: No, the hon. member referred to the increase in the debt.

Mr. MacLEAN (Prince): I referred to the deficits each year from 1912 on.

Mr. MEIGHEN: If the hon. member referred to that he makes it worse still.

Mr. MacLEAN (Prince): If the right hon. member will quote what I said he will be treating me fairly; otherwise he is not fair.

Mr. MEIGHEN: But what has that to do with the matter?

Mr. MacLEAN (Prince): That is what I was speaking about.

Mr. MEIGHEN: Certainly the revenue over expenditure in those years would be greater still because they would not take into account capital expenditure. This takes capital expenditure into account, so that, after all are included, the reduction in the debt was as I have stated.

Mr. SNOWBALL: There has been a nasty storm off Escuminac and it only demonstrates the need of a breakwater. But the storm that is taking place here would show a need for a breakwater in other places as well. The hon. member (Mr. Hanson) stated that salmon fishing to-day was being carried on under the same conditions as prevailed in the time of our forefathers, but I am surprised that he should have said such a thing. Salmon fishing on the Miramichi one hundred and fifty years ago, or on the St. John, where my hon. friend belongs, was a different matter from what it is to-day. And even until within recent times the conditions were altogether different; the men did not go out in such boats as are used nowadays but they used canoes made of pine logs dug out. There was therefore no danger whatever in connection with the industry at that time. This was the condition that prevailed around Burnt Church and the north shore of the Miramichi river and bay, as well as on the south shore up to Baie du Vin, and around Fox island and Portage island. The men used set nets that were comparatively close to the shores. But the business has materially changed since then; to-day they use boats propelled by motors and they stay out all night. They set a great line of nets three miles off the shore in the outer Miramichi bay and Northumberland straits and they have no protection at all. This matter has been overlooked by the hon. member; I am sure he could not have been aware of it or he would not have made the statement he did. I should be sorry if the impression got abroad that salmon fishing to-day is the same as it was as carried on by our forefathers.

I was sorry that my hon. friend (Mr. Manion) spoke as he did with reference to the question of annexation or secession. There may be talk of this in his part of the country but I can assure him that in the part of New Brunswick from which I come, and of which I have fairly intimate knowledge, there is very little talk of that kind except on the part of those politicians on the Conservative side who are trying to create this feeling just as they fostered the flag-waving sentiment on a former occasion.

Mr. HANSON: Will the hon. member say what Conservative politician in New Brunswick has talked secession, and where and when?

Mr. SNOWBALL: They do; but you do not hear Liberals talking that way either in this House or outside. We have heard it however from the other side. The Liberals to-day are as loyal to Canada and to British institutions as they were in 1911 when in the interests of this country they wanted to secure trade relations with our friends to the south. At that time the flag was waved all over the country. I do not think it is wise that this talk about secession should get abroad; I do not believe that our people, if they are let alone and not agitated, will think of such a thing. I know that so far as New Brunswick is concerned the people who went to the United States a few years ago are now coming back on a large scale. And the same I have no doubt is true of other parts of Canada. The people will come back in larger numbers if we develop our natural resources in this country, as we are trying to do in the vote which is before parliament this afternoon.

Mr. KYTE: My hon. friend from Fort William and Rainy River criticized the estimates of the Minister of Public Works so far as they relate to the Maritime provinces. I think it is recognized that the Maritime provinces call for a larger expenditure in this respect than any of the other provinces.

Mr. MANION: I was not criticizing the expenditures in the Maritime provinces particularly; I was referring to what was being spent throughout the country.

Mr. KYTE: I am sorry if I have conveyed any impression that the hon. member was criticizing the Maritime provinces more than any other. He did think however that there were special circumstances and conditions that may have called for larger expenditures in certain constituencies than were usual in other times and he intimated that they were for political purposes. Now, I have here a letter dated December 28, 1912, which I shall read to the committee:

Ottawa, December 28, 1912.

My dear Sir,

Your letter of the 24th instant addressed to the Minister of Public Works received, and, in accordance with your request, I am enclosing you herewith a list of the items which have been placed in the supplementary estimates for Antigonish county for 1913-14.

Yours sincerely,

GEORGE BUSKARD,
Minister's Secretary.

To Hon. E. L. GIROUR, Senator,
Antigonish, N.S.

This gentleman was secretary to the Minister of Public Works at that time and that list of supplementary estimates for Antigonish amounted to $211,300, as much as the total vote provided in the estimates this afternoon for the province of New Brunswick.

Mr. HANSON: There was no by-election.

Mr. KYTE: There was a local by-election in Antigonish. The member representing the constituency in the local House had been appointed to the Senate and a by-election was to be held in the month of January 1913; and in preparation for that provincial by-election the Minister of Public Works, through his secretary, sent out a statement to the effect that the supplementary estimates—not the main estimates mind you, but supplementary estimates—provided for that county amounting to $211,300. Antigonish county, in point of population, is one of the smallest counties of Nova Scotia, and one of these items alone was the following:

Georgeville—new wharf, $90,000.

But there is not a vessel owned at that place and no person could possibly use the wharf; at any rate, there are not more than a dozen fishermen there.

Mr. DOUCET: Was the wharf built?

Mr. KYTE: I do not know but the by-election was over, having been won on the promises held out.

Mr. GARLAND (Bow River): Ever since I came here, I have taken an intense delight in watching the changing expressions on the countenances of hon. members of this House. Whenever one of my friends opposite rises and begins to proclaim the virtues of the Liberal party and the vices of the Conservatives, all other hon. gentlemen on the opposite side smile seraphically and cheer and applaud. But when the hon. member for Fort William and Rainy River (Mr. Manion) or any other member on this side gets up, there are black looks and lowering frowns across the way.

An hon. MEMBER: That is stretching.

Mr. GARLAND (Bow River): The hon. member does not frown; his smooth and placid countenance would not be capable of a frown unless a divorce bill was up. I do not wish to discuss the merits or demerits of either party. I simply wish for the sake of the public to summarize what has happened. In the forty-six years of national life up to the outbreak of the war this country under both governments had spent increasing amounts until the enormous total of $451,000,000 had been reached. That means that Canada spent more money than she raised in taxes, to the tune of $800,000 a month or $26,000 a day. No one can claim any great economy for either party at that time, nor am I going to argue that it was a good thing that there should have been particular economy, providing the expenditures were justified; because after all we were a growing nation in need of public works and other things. But since the war, what has happened on both sides? We have spent the following sums:

1919	$697,000,000
1920	785,000,000
1921	528,000,000
1922	466,000,000
1923	434,000,000

That makes a grand total in the five post-war years of some $2,909,298,000, or an amount sufficient to have purchased eight times over all the stock of all the banks of Canada, at that time sixteen chartered institutions. To-day that sum of money would permit the purchase in cash of the entire Canadian Pacific holdings in equipment, rolling stock, and ocean vessels, and still leave enough over to buy all the chartered banks of Canada. It

is true that 57 cents out of every dollar of that money is the result of war itself, and if ever there was a bitter, biting indictment of militarism the results left on a nation of this size by war would demonstrate it.

Now, Mr. Chairman, I should like to come back again to this vote of $50,000 for Escuminac. The only grounds for it that I have heard are two-fold. The first is that it was promised in 1911 and in 1882. The second is that the fishermen of the district need some protection from storms. Now, I would be the last person in this House to protest against any expenditure that would save a single fisherman's life. I would not object to expenditure in excess of this if it would result in the saving of even one life, but that has not yet been demonstrated. One hon. member pictured the dangers to which the fishermen are exposed, but another hon. member from the same province stated there has not been one life lost. I do not know which to believe, and that is the position I find myself in. If I can find justification for this item in the saving of life or in the protection of the people immediately concerned, I am willing to vote for it. I am not willing to vote for it, however, if those interested do not need it; and in any case expenditures of this kind should be justified to a greater degree by the minister who is proposing them.

Mr. HANSON: I should like to ask the minister, arising out of a remark he made that this whole scheme will cost $200,000, just what the government proposes to do?

Mr. KING (Kootenay): The total scheme would require a crib-work structure of 602,292 cubic feet, the estimated cost of which is 27 cents per cubic foot; 600 cubic yards of concrete, 5,040 pounds of reinforced iron, and 24,000 feet, board measure, of square timber. The cost of these materials would enter into the estimated amount of the work we are going to do.

Mr. HANSON: That is for the breakwater?

Mr. KING (Kootenay): Yes. We are proposing to construct one section of the breakwater which when completed will give a very considerable amount of protection to the fishing boats. That is as far as we intend going at the present time.

Mr. HANSON: How long will the unit be that you are going to construct?

Mr. KING (Kootenay): It will be about 400 feet long.

Mr. HANSON: What is the depth of the water there?

Mr. KING (Kootenay): I have the length and the width of the structure but not the depth of water at that point.

Mr. HANSON: No dredging will be required?

Mr. KING (Kootenay): No.

Mr. HANSON: Is there not some difference of opinion as to the location of this breakwater?

Mr. KING (Kootenay): I think there was some difference. However, the matter has been gone into very carefully by the engineers and the department and they have decided that this is the proper plan.

Mr. HANSON: Have the fishermen and the lobster factories been consulted as to this location?

Mr. KING (Kootenay): The local people have been consulted. This work is recommended by Mr. Stead, our local engineer and the plans have been approved by the engineering staff here. I am informed that a board of engineers went into the whole matter.

Mr. HANSON: How much of the $200,000 is the government committed to?

Mr. KING (Kootenay): We are committed now to an expenditure of $50,000.

Mr. HANSON: That is just an instalment? As I understand it this is an instalment that is intended to be spent this year, but when you start to build a structure you will have to complete it up to the extent of the unit.

Mr. KING (Kootenay): That will be the unit.

Mr. HANSON: One complete unit?

Mr. KING (Kootenay): Yes.

Mr. KELLNER: The discussion so far, as the hon. member for Bow River (Mr. Garland) pointed out a little while ago, has revealed only one reason for the contruction of this breakwater, and that is the need for protecting the fishermen. The hon. member for the constituency advanced a very heart-touching plea in their behalf when he spoke a few minutes ago. However, I should like to call the attention of the minister to the fact that the department is just stretching out a little too much in discovering places in which to build wharves. Indeed, I think I might go so far as to suggest that within the department there are some descendants of

Christopher Columbus. In this capacity they display an ability for discovering places to build wharves which entitle them to considerable credit at least. Now, this vote has been objected to by practically all the members who have spoken so far on this side of the House, and it seems to be the opinion of the majority of them that it can very well stand over for the time being. I propose therefore, Mr. Chairman, to test their sincerity by moving a reduction of $50,000 in the vote.

The CHAIRMAN: The amendment is out of order, as that which the hon. gentleman has proposed is a complete negative. An amendment may be made to reduce the vote but not to wipe it completely out of existence.

Mr. GARLAND (Bow River): May I submit, Mr. Chairman, that the amendment is in order. We are considering vote No. 147 which is for a total of $228,300.

The CHAIRMAN: No it is not. There was an agreement in committee that the resolution should be taken up item by item. Now an amendment has been moved to the item of $50,000 for Escuminac, and it is proposed to strike out the entire amount.

Mr. GARLAND (Bow River): I understand, if I may say so, that the amendment is to reduce vote No. 147, which is for $228,300, by $50,000. However, Mr. Chairman, if you rule that the amendment is out of order because the committee agreed to take up the items separately I am quite sure that if you will give the hon. gentleman the necessary opportunity he will furnish another amendment.

The CHAIRMAN: It would be in order when the last item is carried and the total vote submitted to move to reduce it by $50,000 or any other sum. But when we are taking up the vote item by item it would not be in order to do so.

Mr. SPENCE: Would it not be in order to move that the whole item of $50,000 be cut out?

The CHAIRMAN: Such an amendment would not be in order at this stage.

Mr. SPENCE: Then how are we going to stop the expenditure?

The CHAIRMAN: I cannot tell you. Shall the item carry?

Some hon. MEMBERS: No, no.

Mr. HANSON: I should like to correct the impression contained in the speech of the hon. gentleman (Mr. Kellner) who has just spoken. I have criticized this item and the plan of the government in regard to it, but I am not prepared to vote against this expenditure.

Some hon. MEMBERS: Oh, oh.

Mr. HANSON: Hon. gentlemen can laugh, but I know some of the difficulties fishermen have to contend with. I am sincere about this, and while I do not think for a moment that this location justifies an expenditure of $200,000 I would not like to see this item of $50,000 struck out. I desire to see a different scheme adopted but I am quite prepared to support some vote in the interest of the fishermen of Escuminac. I was never there, and have no local interest in this matter, but I do know something of the circumstances under which the fishermen live and I do not intend to vote to strike the entire item out.

Mr. KELLNER: Seeing that you have ruled the other amendment out of order, Mr. Chairman, I now desire to move that the item be reduced by $49,500.

Mr. COPP: I regret very much indeed that a discussion of this nature should have taken place this afternoon on the New Brunswick item, and this special item in particular. Possibly the extraneous matters that have been introduced are more or less responsible for the feeling which has been aroused in connection with this matter. I want to say to my hon. friends opposite that while I do not wish in any way to reflect on their particular knowledge in regard to any matters coming before the House, I am convinced that they do not completely understand the requirements and necessities of the provinces of New Brunswick and Nova Scotia in the way of wharves and breakwaters. On the eastern and southern portion of the province of New Brunswick we have an exposed coast line with the exception of twelve miles; in a great many cases there is no railway accommodation whatever, and it is very necessary that there should be some facilities provided for water transportation in these localities. I am sure if hon. gentlemen will stop to consider the necessities of the fishermen living along these shores who have to go out on the water at night-time they will say that it was reasonable there should be some protection for them. Nearly every year we have very severe storms in that district; property is sometimes lost and at times life is lost because of insufficient protection for the fishing boats. I have been in this particular place and realize the situation, although I have no personal interest there. The fishermen go out there to fish

and they have no protection in that particular port.

Mr. IRVINE: What sort of protection does the minister think will be provided by this vote?

Mr. COPP: I will come to that later. This is a very open and exposed coast, and when fishermen are out in the straits or come in with their boats they are sometimes washed up on the shore, and there is no haven of rest to protect them from the sea. I am as anxious for economy as any hon. member in this House, and I can assure hon. members that before the estimates were brought down, instead of asking for large votes, I simply asked, as far as New Brunswick was concerned, for whatever was necessary to protect the fishermen and to provide for their wants.

Mr. LADNER: Does the hon. minister not think that the same facilities for protection which they have had for many years would not have sufficed for a few years until we started to reduce our debt?

Mr. COPP: I say that the fishermen are subjected to the same conditions now as they have been in the past. In order to protect them we have to build wharves and breakwaters for them. My hon. friend speaks about $60,000 being spent on a wharf, and states that you might as well talk of building the whole wharf. Well you cannot build a wharf or a vessel to last forever. If a vessel goes down to the bottom you have to build or to buy a new one, and this happens on the shore in some cases. We had very severe storms in that district two years ago and during one of those storms the wharf at cape Bald was carried away. Something had to be done to put the wharf into proper shape. The hon. member for East Calgary asks, how this is going to protect them. This breakwater will be a certain distance from the shore, so that when the waves come in from the straits the vessel will be behind the breakwater and will be protected. These vessels are only small boats.

Mr. IRVINE: Can the minister tell us how many fishermen are employed in this particular locality?

Mr. COPP: The minister gave the number, I have not it in mind. I am sure that hon. members from the Maritime provinces, the hon. member for York-Sunbury and the hon. member for Kent, know the conditions down there and realize that the coast of Kent is exposed to the storms in the Northumberland straits. They know that we must have protection. I regret that my hon. friends from the west, for whom I have great esteem, who stood loyally by us in working in the interests of western Canada as well as other parts of Canada, took the stand they did this afternoon, because they have no knowledge of the conditions. These works are necessary to protect the interests of the fishermen on the shores of New Brunswick. These votes are not the result of promises I have made, and I say that in all cases I have urged economy as far as possible in regard to the requirements of the locality, and the estimates brought down are very small indeed.

The estimates for New Brunswick only amount to about fifty cents a head for every man, woman and child in the province. I do not think my hon. friends realize the necessity for taking care of the situation in the province of New Brunswick as they should. We realize that for the last year or two conditions have not been good in these provinces. A number of our people are leaving there because the fishermen are not protected. People have left the provinces of Nova Scotia and New Brunswick and gone to the United States for the reason I have stated. A great many of our men are engaged in this valuable industry, and I do hope that my hon. friend will think better of the amendment he has moved and allow this motion to pass.

Mr. LADNER: As I view it, this amendment is a demand upon the hon. members of this House for a declaration for or against national economy. Many of us do not know much about the locality or about the protection of the fishermen; but in the discussion which we have listened to this afternoon hon. members on the government side have said, "Well, a number of years ago, before the war and during the war, you spent so much and we spent so much, and therefore you should keep your mouths shut. You have nothing to say." I know, and every hon. member here must know, that from one end of Canada to the other the real issue in the public mind is, will the governments federally, provincially and municipally stop their extravagance and live within their revenue? This amendment is calling upon hon. members to act in their capacity as representatives of the people in a manner which will show whether they will be consistent to their declarations at election time or not. We have a debt of $2,400,000,000. As I mentioned last evening, we have greatly increasing taxation, business more or less paralyzed and people leaving the coun-

try by the thousands. We have an increase of the public debt since the government took office of $262,000,000 and a large debt on the Canadian National. In my opinion the question is not what other governments spent, and not a comparison between expenditure on public works this year, the year before or the year before that, or back in 1909, which the Minister of Public Works referred to. That is not the question. We have hanging over our heads an enormous public debt. The question is, what are the items we can eliminate or delay for a few years while we tackle the big problem of taxation and the public debt? That is the proposition before the people of the country, and that is the duty and obligation of the government and hon. members of this House. As far as I am concerned, though at the expense of making myself obnoxious in rising in the House—and perhaps I should sit down—when the question comes up I will rise in my seat and vote against this proposed expenditure. I hope by so doing that, to the extent of my little efforts, I may be able to impress upon my constituents and the people of my province the necessity of realizing the enormity of our obligations.

Mr. BELAND: Question.

Mr. LADNER: What is going to prevail? The minister says "question." He does not like to hear these things. He knows he has participated in this iniquity that is being practised on the country in spending the money of the people in the way in which it is being spent. Last evening we had an appropriation of $5,000,000. To-day we have an appropriation of $50,000 on some little place as a preliminary to a total expenditure of $200,000. The hon. member for Fort William and Rainy River (Mr. Manion) read out a long list of items showing the expenditures which were going on. I put this question to hon. members: Where are we going to stop? On what basis are these expenditures being founded? Is it because of the actual necessity from the business point of view? Let us take the particular item in question. For years and years the people in that neighbourhood have been able to get along successfully without this expenditure. Why cannot they do so for three, four or five or even ten years until we handle questions of greater importance, such as reduction of taxation, our public debt and railway obligations, obligations which are driving capital out of this country? Those who are in touch with men contemplating investments know quite well that such is the case. I have in mind a large concern with an expenditure of $2,000,000 in contemplation. That investment is being delayed and held up simply because they do not know where the limit will be as regards taxation on that industry. In one case which I mentioned a few days ago to hon. members, the calculation was made and it was found that there were thirty-three different taxes which one concern carrying on business throughout Canada had to pay.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SECOND READING

Bill No. 98, for the relief of Jacob Edward Thuna.—Mr. Garland (Carleton).

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 121, for the relief of Dorothy Strathy.—Mr. Preston.

Bill No. 122, for the relief of Minnie Williams Goldberg.—Mr. Jacobs.

Bill No. 123, for the relief of Ruth Dorothy Rutenberg.—Mr. Baxter.

Bill No. 124, for the relief of Charles Arthur Sara.—Mr. Duff.

Bill No. 125, for the relief of Frederick George Randall Lacey.—Mr. Ryckman.

Bill No. 126, for the relief of Mollie Weiner. Mr. Jacobs.

Bill No. 127, for the relief of Norma Evelyn Stevens Hammond.—Mr. Church.

Bill No. 130, for the relief of Lillian Yaffe. —Mr. Hanson.

Bill No. 131, for the relief of Charles William Dickinson.—Mr. Hanson.

Bill No. 132, for the relief of Charles Murray Cramsie.—Mr. Baldwin.

Bill No. 133, for the relief of Frederick William Mallyon.—Mr. Speakman.

Bill No. 134, for the relief of Lillian Rebecca Mains.—Mr. Euler.

Bill No. 135, for the relief of Elizabeth Ruth Badgley Shaw.—Mr. Jacobs.

Bill 136, for the relief of Lillian Helena Caldwell.—Mr. Preston.

Bill No. 137, for the relief of Elizabeth Strachan Reid Harvey Strachan.—Mr. Garland (Carleton).

Bill No. 138, for the relief of Esther Charlotte Ancel.—Mr. Jacobs.

Bill No. 139, for the relief of Birdie Cohen Gould.—Mr. McMaster.

Bill No. 140, for the relief of Walter Roderick Wilson Robinson.—Mr. Elliott (Dundas).

SUPPLY

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

The CHAIRMAN: The item under discussion is No. 147, harbours and rivers, New Brunswick, Escuminac harbour improvements, $50,000.

Mr. KING (Kootenay): Before six o'clock the discussion had got to a point somewhat wide of the mark, and I am not sure that the interests of the people whom we are trying to assist were all under consideration. This project is not a new one; it has been before the department for some time, having been recommended by responsible members of parliament. As has been pointed out, Mr. Loggie, a former representative of the district, as well as Hon. Mr. Hazen, at one time Minister of Marine, both advised it. It is all very well to say that these people got along without this accommodation for many years and that there is no need of it at the present time. I do not agree with that, and it is not the attitude of the public to-day. It has been brought to the attention of this House during this session that in the Maritime provinces, where the government had failed to provide the necessary improvements or to enlarge present facilities, many of the people had found it necessary to go away. That sort of thing is not in the interests of the country. The people of the Maritime provinces along the coast are engaged very extensively in fishing, which is an important and profitable industry. It is a great source of wealth to them, and to strike out practically the whole of this vote, as is now recommended, would work a very great injury to the business by which they gain their livelihood. The amount may seem large but to-day I explained that there were something like 130 boats using the harbour besides about 50 dories; and that indicates what a considerable number of men are engaged in the business of fishing. If the committee will look over the votes that we have placed in the estimates this year they will find that almost in every case these items are for repairs or improvements; in very few instances have new items been inserted. As a matter of fact, as I stated this afternoon, the total estimates this year for the department are $1,700,000 less than they were last year. I would ask the hon. member (Mr. Kellner) to be good enough to reconsider his motion to reduce the vote. I am satisfied that the expenditure is warranted, and if the work contemplated is not carried out it will mean a very serious hardship to the people in that locality. I am sure the hon. member must realize that the proposed reduction would be unsound policy; we must maintain our great public works in Canada to-day. If there is a community that can be helped by a reasonable expenditure such expenditure ought to be made. For these reasons I would ask the hon. member to withdraw the motion.

Mr. KELLNER: The minister suggests looking over the estimates; I presume that is an invitation to consider any of the estimates in his department. I would call his attention particularly to the expenditures in the western provinces. Take Manitoba; the vote there this year is $27,300 as compared with $68,970 for last year. Neither Saskatchewan nor Alberta had a sufficient expenditure to warrant its being put in a separate column and so the two are bunched together; and the combined expenditure in these two provinces this year is $24,800 as against $46,895 last year. In all the estimates of the minister's department this is the only example we have of economy, and it affects the prairie provinces. In the discussion of these estimates to-day, member after member has got up and roundly criticized the government for not abstaining from making new expenditures. I think the motion to reduce the vote will test the sincerity of those who advocate economy. As to any hardship that would be suffered by the people concerned, I rather think that perhaps it might be a greater hardship to give them too many facilities. You must provide a market or they will not be justified in increasing their production. From the information I have regarding the district down there, there is either no market or not enough for the fish caught now.

Mr. SNOWBALL: Where did the hon. member get that information? I come from the locality and I can assure him that every fish caught there can be sold either in the United States or in upper Canada.

Mr. KELLNER: That remark seems to be enthusiastically received, but it is possible that the price is not high enough to make it worth while for the fishermen to catch more. At any rate I know that the farmers of western Canada increased the price of wheat this year by something like a dollar a bushel by the very simple expedient of growing less, and I doubt whether this will not apply to the fishermen of the Maritime provinces. Now, I have no desire to reduce this expenditure, but in view of the statements that have been made in the

House this afternoon I think that the motion is advisable; as I have said, it will test the sincerity of those who are opposing the vote. We shall see whether they will vote against an item which they previously opposed and declared should not be in the estimates.

Mr. LOGAN: I would ask the hon. member to withdraw the motion to strike out nearly the whole of the vote. We have in Canada both an east and a west. We have our problems in the Maritime provinces, which are very serious indeed, just as the western people in Alberta, Saskatchewan and Manitoba have their grave problems. But we cannot ever build up a united Canada if we are not going to assist each other. I do not desire to see any division between east and west; but—

Mr. CAMPBELL: We realized this very thing when the Hudson Bay railway debate was in progress.

Mr. LOGAN: And we realized it last night too. I was in this House several years ago when we inaugurated a National Transcontinental railway scheme. Sir Wilfrid Laurier dreamed of a united Canada and desired that Canadian grain for export should go through Canadian ports. We spent a tremendous amount of money to bring the grain of the west to Quebec, and if Sir Wilfrid Laurier had lived after building the railway he would have spent a considerable sum no doubt in improving the facilities at Quebec. Because if we did not have facilities there what would be the use of the railway? What was the use of the bottle if the neck was not big enough for the trade to get out? Sir Wilfrid Laurier's government was defeated and another party came into power that had no love for the National Transcontinental. They showed it by their actions, and so very little was done to improve the facilities at Quebec during the years that the present opposition were in power in this country.

Mr. HANSON: Is the hon. member not aware that nearly all the great expenditures in providing facilities at the port of Quebec were made by the harbour commission under the presidency of Senator Lesperance, and the money was supplied by the Conservative party in 1911?

Mr. LOGAN: I think, Mr. Chairman, that the money expended by the harbour commission under the supervision of Senator Lesperance did not provide facilities for transporting more than five or six million bushels out of a total of two or three hundred million bushels of grain.

The CHAIRMAN: This discussion has no reference to the construction of a breakwater in New Brunswick.

Mr. LOGAN: I quite appreciate that but what I am contending is this: While we in the Maritime provinces had not any direct interest in Quebec nor in the shipment of western wheat, through that port when the National Transcontinental was put through, yet hundreds of millions of dollars were spent upon that road and not a single yard of the line was built in the province of Nova Scotia from which I come. But when Sir Wilfrid Laurier appealed to the people of Canada the electors of Nova Scotia sent back to this House a solid group of eighteen to support him in building this great road from the west.

Mr. CAMPBELL: Perhaps the hon. member will tell us what advantage accrued to the west from the building of that road?

Mr. LOGAN: There has been some advantage to the west, but the reason the advantages were not as great as Sir Wilfrid Laurier thought they would be was because the road was to a large extent destroyed by its enemies. The gradients and the curvatures of that line were increased.

Some hon. MEMBERS: Order.

Mr. LOGAN: I am only answering a question that was put to me.

The CHAIRMAN: You are wandering from the point.

Mr. MEIGHEN: I ask the hon. member, in all honesty, does he believe that?

Mr. LOGAN: Of course I believe it. If I did not believe it I would not make the statement. But, Mr. Chairman, the vote before the House is for a breakwater for the benefit of the fishermen on the coast of New Brunswick. All that is asked for here is a vote of $50,000. We are told by the member for the county that if this breakwater is built it will probably mean that there will be a million dollars worth of fish caught and brought into Canada. What is the hope of Canada? The hope of Canada lies in found money, whether we find it in the sea, in the soil, in the mine, or in the forest. That is the great hope of our country, and that is why we do not wish to travel the via dolorosa we hear talked about so much

in the far corner of the House. We have faith in the future of Canada because we know the natural resources are here from which we can secure the riches that will ensure the prosperity of this country in the future. We have in eastern Canada great fisheries. Instead of having a production of eight or ten million dollars from the sea we should have a production of fifty or sixty million dollars from that source—found money for Canada. If fishermen go out and catch a million dollars worth of fish, and bring those fish to shore and sell them in a foreign market it means a million dollars added to the wealth of Canada. These fishermen are men who deserve our sincere sympathy. If my hon. friends who live on the golden prairie plains knew exactly what hardships these men suffer I think they would have more sympathy with them than they have to-night. I expect that in a few days—at any rate I hope before this session closes—there will be a proposition to provide railway facilities to open up the great Peace river country. It does not interest me directly, I come from away down by the sea where the fishermen live, but I will support the proposition because it means a better and a bigger Canada. I would ask hon. gentlemen to-night to take the same view that I take in reference to the Peace river, and not vote to reduce this amount for the building of what, after all, is a necessity to the fishermen who certainly earn their living by the sweat of their brow.

This afternoon we heard a very eloquent and rapid-fire speech from the hon. member for Fort William and Rainy River (Mr. Manion). According to him we may as well put up the shutters—

Mr. MANION: I never suggested any such thing.

Mr. LOGAN: There was never a "whisper of death" equal to what we heard this afternoon.

Mr. MANION: I never suggested any such thing.

Mr. LOGAN: We are now discussing a vote included in the estimates which amounts to $228,300 for a whole province, and if my hon. friend is honest in this matter he will accept my challenge. I find here on page 31 of the estimates this item: "Port Arthur and Fort William harbour improvements, $120,000." Last year there was a vote for the same purpose of $550,000 or more than twice as much as the whole vote for the province of New Brunswick. As I have already said the estimate for these improvements amounts this year to $120,000. I challenge the hon. gentleman when we come to that vote to move to reduce it. That will show his sincerity.

Mr. MANION: The government is quite free to reduce it as far as I am concerned. I accept my hon. friend's challenge. Let the government go ahead and reduce it.

Mr. LOGAN: It is your place to move the reduction.

Mr. WARD: One would imagine to hear the hon. member for Cumberland that the only place in Canada where any fishing is done is on the Atlantic coast. It may surprise him to know that there is a greater coast line in the constituency which I represent than in any constituency in the Maritime provinces. I venture this further statement—that there is more fish produced in my constituency than in any constituency in the Maritime provinces.

Some hon. MEMBERS: Oh, oh.

Mr. LOGAN: More fish produced?

Mr. WARD: Yes, more fish produced.

Mr. LOGAN: We produced last year between eight and ten million dollars' worth.

Mr. WARD: I say there is more fish produced in my constituency than any constituency in the Maritime provinces. Yet in the entire history of that constituency only $9,700 has been spent on public wharves. There are some thirty or forty fishing depots in that constituency, and a number of small towns whose people live almost entirely by fishing, and they are not coming to this House and asking for votes of $50,000 or $100,000 to carry on their fishing. They build their own little wharves where they can dock their fishing boats, and so on. They are carrying on their business without government aid and producing fish by the hundreds of car loads. What is the matter with the Maritime provinces? I will tell you what the trouble is. It is traditional, it is hereditary with you people down there. Every man who is farming or fishing along the coast line imagines he should have a wharf at his back door. There is no question about that.

Mr. LOGAN: Do not insult us, please.

Mr. WARD: I must protest against this vote. I shall not support it.

Mr. MacLEAN (Prince): Just before the House rose at six o'clock the right hon. leader of the opposition challenged statements of

mine regarding the increase in expenditures during the years 1911, 1912 and 1913. I have not had very much time to look the matter up, but referring to the Public Accounts at page 47 I find that the increase in 1912 was $11,000,000; in 1913 it was $14,000,000; and in 1914 it was $15,000,000.

Mr. MEIGHEN: What is that?

Mr. MacLEAN (Prince): Then the controllable expenditure as disclosed by the Public Accounts amounted in 1911 to $65,000,000, and this represents a per capita expenditure of $9.09 under Liberal rule in that year, whereas the controllable expenditure in 1912 jumped to $74,000,000 and in 1913 to $85,000,000, and in 1914 it was $102,000,000, or an increase from $9.09 per capita average to $13.31. Those figures are taken from the Public Accounts and cannot be controverted. I give the figures in answer to my right hon. friend the leader of the opposition as I caught his question. Further I may say that the total increase in the public debt has often been questioned, and the statement has been made that during the six years of the war the increase in the debt was $13,773,733 over and above war expenditures, or that the government of that day did not meet the ordinary running expenses of the country for those years by that much. That has never been controverted, and it can be shown in an itemized way that those figures are correct.

Mr. MEIGHEN: Perhaps it would be somewhat irrelevant to endeavour to answer where there was nothing to answer, but the hon. gentleman got into a subject altogether apart from that which formed the matter of controversy before dinner. All that was under controversy was the increase or decrease, as the facts might show, of the public debt in three years. There was nothing at all in controversy about the per capita expenditure either under one regime or the other. The figures I gave are from the public records and are exact to a dollar. The public records are affirmed as correct by this administration.

Mr. MacLEAN (Prince): I want to clear up this matter.

The CHAIRMAN: The matter is cleared up and I am going to rule that this debate has gone beyond the item that is under discussion.

Mr. MacLEAN (Prince): Will the Chairman allow me a moment to put some more figures on Hansard?

The CHAIRMAN: I agree with the right hon. leader of the opposition that this matter has gone beyond the point in controversy at six o'clock.

Mr. MacLEAN (Prince): I shall bow to the ruling of the Chairman, but I took down the words of the hon. gentleman and I will read them to the House.

Some hon. MEMBERS: Order, order.

The CHAIRMAN: I should like to hear the hon. member.

Mr. MacLEAN (Prince): The right hon. leader of the opposition asked me to give him the years in which the expenditures were increased, and I said in reply, "1911 to 1914." He asked me to give the figures, but I did not have them with me. Now my hon. friend says he was not referring to the expenditure.

Mr. MEIGHEN: No, I said the debt, and the whole House knows it.

Mr. MacLEAN (Prince): We will see it in Hansard to-morrow.

Now we come to the question of the increase in the total public debt. The figures are as follows: In 1912, the increase amounted to $34,000,000 and in 1913, to $9,000,000. I refer to page 49 of the Public Accounts. This is a complete answer to my right hon. friend.

Mr. MANION: In regard to the remarks of my hon. friend from Cumberland (Mr. Logan) where he threw out a challenge with reference to the expenditure in Fort William and Port Arthur, I want to point out in the first place that it is rather an extraordinary thing to compare a little fishing village, where there are only 1,500 people in the entire neighbourhood and probably half of them fishermen, with a port such as we find at the head of the lakes, where they handle seven-eighths or perhaps nine-tenths of all the grain grown in the prairie provinces. Probably nine-tenths of the grain grown in the prairie provinces goes through the elevators at the head of the lakes. No expenditure made at the head of the lakes has ever been made for the people at the head of the lakes. The port up there is just as much a national port as Montreal or Quebec in Canada or Duluth, Chicago or New York in the United States; so that there is no comparison. I wish to say this—and I put it on Hansard the other night and showed my sincerity by my remark on that occasion—that I am sincere in believing that we should cut down unnecessary taxation and expenditure. I am perfectly willing that Fort William and Port Arthur should receive the same treatment as the other ports of the Dominion, and that we should cut out

all unnecessary expenditure from one end of Canada to the other. I repeat that I think there has already been sufficient money spent at the head of the lakes to satisfy them for some time. I think we have enough harbour development there now for all the purposes for which that harbour has been developed. There has been a large amount of money spent in that district, but the harbour there has been developed for the handling of grain. I am perfectly agreeable that they should receive the same treatment up there as is accorded to other places, and I will submit to the House after the next election—I do not care who is in power, although I believe it will be the Conservatives —that it is high time that all expenditure, whether at Halifax, Fort William, Port Arthur, Vancouver, or any other place, shall be curtailed in the interest of economy in this country.

Mr. LOGAN: While Escuminac may not be a very important place, it is on a coast where there are millions of fish that can be caught if facilities are provided, and if they are caught and sold it adds to the wealth of the country. I think if the hon. member wishes to be consistent, when we come to the vote for Fort William, he will move that the item of $120,000 be reduced by at least $100,000.

I desire to place on Hansard a statement showing what has been spent at the head of the lakes, which we in the Maritime provinces have helped to pay. The expenditure by the government of this country at Fort William and Port Arthur up to March 31, 1925, has amounted to $14,627,750, and it has been made to provide for transporting the grain from the west.

Mr. DOUCET: If I may be permitted to bring the discussion back to Escuminac, I wish to say that I could easily accept the challenge of the hon. member to vote against any public works in my own constituency because that constituency is blessed this year with an expenditure of $1,800, while it has the largest coast line of almost any county in the Maritime provinces.

Mr. LOGAN: The hon. member boasted last year that he got more than anybody else.

Mr. DOUCET: Last year when the estimates of the Minister of Public Works were being considered on the 26th May and 18th July, I asked the minister for a small vote to accommodate 76 fishing boats, 7 canning factories, in a large territory, and yet the minister said that owing to the necessity for practical economy the department or the government could not see their way clear to make the expenditure. He promised, however, to take the matter into consideration and give it serious thought for this year. The estimates for this year show nothing for that important fishing settlement. Nevertheless, Mr. Chairman, I do not propose to oppose this vote, because after all I think the members of this committee have taken it too seriously all afternoon. I for one do not believe that the expenditure will be made. I think the minister would be well advised if he would consider the advisability of having surveys made of the neighbouring fishing village of Baie Ste-Anne where to my mind, from the report which I have received, there would be better accommodation and better protection for the fishermen of that section. It is true that you can give protection at Escuminac whilst the boats are inside, but when the boats are on the fishing ground, in the event of a storm arising, I am told by reliable authorities that the fishing boats cannot make Escuminac, but have to take refuge outside. Be that as it may, I believe before this government or the Department of Public Works undertake the expenditure of $200,000 in that section, and before contracts are let, a very careful survey should be made as to the port most appropriate to give the necessary protection to that industry. I propose to vote for the main motion and against the motion to amend the item, because I believe the fishing industry of the Maritime provinces should be fostered. It is an industry that can stand a large amount of development. I believe we can find a market for all the products of the fisheries, and those fishermen, those rugged seamen on the shores of the Northumberland strait who have to eke out an existence in those waters following that industry, are just as much entitled to protection as the people in any other section of this Dominion. For this reason I intend to vote for the main motion that $50,000 be spent, but I give the minister the suggestion that he take the necessary steps to have the money expended at the proper place, and I am sure he will find that Baie Ste. Anne is the proper place rather than Escuminac.

Mr. KING (Kootenay): I am very glad to hear from the hon. member for Kent, N.B. (Mr. Doucet). He has personal knowledge of conditions in the Maritime provinces.

As regards his suggestion as to a further inquiry, I shall be glad to make it, but I shall be surprised if the situation has not been thoroughly canvassed by the engineers of the department. I am going, however, to suggest to the committee that we allow this item to stand now so that we may proceed and pass other items that are not contentious.

Item stands.

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

Mr. KING (Kootenay): From last year's vote there was expended $34,049.72, the items varying from $40 odd up to $2,000. There are noted for expenditures this year some five or six places, the expenditures running from $500 to $750.

Mr. HANSON: What are the names of those places?

Mr. KING (Kootenay): They are as follows:

Cambridge Narrows, Royal	$750
Newcastle, Royal	500
Grandigue Church, Westmorland	650
Cocagne Cape, Kent	500
Chatham, Northumberland	600

Mr. HANSON: Has the minister come to any decision as regards the petition handed to him not long since by a deputation from the city of Fredericton with respect to taking over the wharves owned by that municipality? He will remember that a large and influential delegation waited upon him and he consented to consider the matter.

Mr. KING (Kootenay): The matter is having the consideration of the department and it will receive the attention of the government very shortly.

Mr. MEIGHEN: It would not seem to be necessary that the proportion of the expenditure should be so large in the general item. An amount of $45,000 out of a vote amounting to $228,000 is over one-fifth of the whole amount. There are a number of items in this vote of $800 and $900. Why could the minister not give most of this $45,000 in detail? Perhaps the reason is that by putting it altogether, he keeps out of trouble with those hon. members who are not going to get anything because they do not know just who the other fellows are that are going to get something.

Mr. KING (Kootenay): This vote is an important one. It is for unforeseen expenditures, and it varies from year to year, as follows:

1912-13	$18,000
1913-14	25,000
1914-15	26,000
1917-18	8,000
1919-20	11,000
1923-24	20,000
1924-25	34,000

Mr. MEIGHEN: This is very large as compared with those years.

Mr. KING (Kootenay): It is the same as last year.

Mr. MEIGHEN: Will the minister tell us some of the larger repairs and improvements he intends to take up this year?

Mr. KING (Kootenay): I have just mentioned them.

Mr. MEIGHEN: How can unforeseen items be foreseen?

Mr. KING (Kootenay): These are foreseen now. Since the estimates were made up, they have been coming into the department and are being set aside in my notes as being suggested.

Mr. MEIGHEN: What counties are they in?

Mr. KING: (Kootenay): Two in Royal, one in Westmorland, one in Kent and one in Northumberland.

Mr. MEIGHEN: What is the one in the county of Kent?

Mr. KING (Kootenay): Cocagne Cape wharf.

Mr. DOUCET: How much is the amount?

Mr. KING (Kootenay): It is $500.

Mr. DOUCET: Is that for repairs to the new wharf built last year?

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

Mr. DOUCET: The only public wharf at Cocagne Cape was constructed last year under contract. I think the expenditure is justified because I was told before I left the constituency that last fall storms had severely damaged the upper portion of the wharf. Has the minister seriously considered the protective wharf at Maillet Gully to take care of the population using seventy-six fishing boats and a place where there are seven canning establishments? I have listened carefully to the explanations

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given by the minister in justification of some public works in Ontario. By the way, all these public works are not constructed in the Maritime provinces. In Ontario and Nova Scotia for places with ten fishing boats there have been items amounting to $35,000 and $40,000. We had this afternoon under consideration the beginning of a commitment of $200,000 for the purpose of accommodation and protection to fishermen using six canning factories divided amongst two fishing villages. To that vote I did not offer any oppcsition. This protective work at Maillet Gully in Buctouche bay in the county of Kent would require an expenditure of less than $20,000. This was estimated at less than $20,000 three years ago at peak prices. It was certainly recommended by the district engineer, it was recommended and insisted upon by my predecessor in this House, it was favourably considered by the minister himself, and I thought I had convinced him on two occasions last session that a wharf should be proceeded with at this point; but notwithstanding the fact that the whole coast line of Kent county this year is only looked after in these estimates by a vote of $1,800, yet the minister, possibly to repay some favours asked during the recess, can undertake commitments on a much larger scale, representing entirely new work, for fishing villages of less importance and with a lesser number of boats and canning factories. Through you, Mr. Chairman, I ask the minister whether he cannot reconsider this locality and place something in the supplementary estimates so as to enable the fishermen there to carry on their work. Every second or third year, owing to severe storms in the early portion of October, serious damage is done to the fishing gear of the fishermen, for they cannot find a harbour of refuge, and it is impracticable for them to haul their big boats high and dry whenever a storm threatens, with the result that a large number of their craft are seriously damaged, until ultimately those engaged in the arduous task of fishing are compelled, much against their will, to abandon the industry and seek a livelihood elsewhere.

Mr. KING (Kootenay): Mr. Chairman, I assure my hon. friend (Mr. Doucet) that I have great sympathy with his plea, but it is only one of the very many instances where, owing to our desire to economize and keep the estimates within bounds, we have been compelled to refuse what are probably much needed improvements. There are many requests before the department to-day just as urgent, if not more so, than that of the hon. gentleman that we have had to refuse. However, I shall be very glad to give the matter further consideration.

Mr. DOUCET: Why single out that county and treat it so harshly?

Mr. HANSON: Last year the minister spent $20,000 on dredging the Gaspereau river.

Mr. KING (Kootenay): It has not been expended.

Mr. HANSON: The minister would be well advised not to expend it this year, for it is not needed now, nor was it last year.

Mr. KING (Kootenay): I do not agree with my hon. friend.

Mr. HANSON: Perhaps the minister is better informed than I am?

Mr. KING (Kootenay): I visited the district last year.

Mr. HANSON: Kent county ought to have some sympathy from the government and from the minister himself. As I understand, the dredging of the Gaspereau river is for the benefit of one private individual.

Mr. COPP: My hon. friend is altogether misinformed.

Mr. HANSON: This is the information I have. Only $1,800 is being spent in Kent county, where there is a considerable population, while $4,500 is being spent on wharf improvements at Oromocto. I think the work is needed there as the wharf has been damaged by ice, but the minister is certainly not doing the people of Kent county justice.

Item agreed to.

Humphrey's—wharf repairs, $1,500.

Mr. HANSON: Where is this?

Mr. KING (Kootenay): In the county of Royal.

Mr. HANSON: Why is the minister giving so much attention to this noble county? Nearly half the items in the estimates appear to be for works there.

Mr. KING (Kootenay): I think, Mr. Chairman, the explanation is very evident to my hon. friend. The Dominion government has recently taken over the wharves on the Grand lake and the St. John river which were formerly owned and controlled by the provincial government. These items are for repairs and renewals.

Mr. HANSON: That is to say, the provincial government has unloaded some very dark horses on the Department of Public Works.

Mr. DOUCET: In those sections, Mr. Chairman, where wharves have already been provided by the provincial government, this government is prepared to disburse treasury funds to repair the facilities, although they cannot see their way clear to make a small expenditure to give absolutely necessary protection to a very important fishing section of my constituency.

Item agreed to.

Loggieville—wharf repairs, $1,000.

Mr. MEIGHEN: This is also a by-election vote? What is the history of this wharf?

Mr. KING (Kootenay): It is renewal work and will consist of removing the plank covering on the outer end of the wharf, filling the interior with brush and stone, covering this and the outer seventy-five feet of the remainder of the wharf with gravel to the level of the present plank covering, closing a small span by sheet piling driven along the easterly side, renewing one broken stringer under the railway siding and 30 lineal feet of cap, and repairing the plank sidewalk leading to the wharf. The business over the wharf amounts to $350,000, consisting of fish and general merchandise. The lumber cut at this place is about five million feet annually.

Mr. HANSON: This is an important wharf.

Mr. KING (Kootenay): The vote is for general repairs to a structure that has been in existence a good many years. To date there has been spent on it about $75,000.

Item agreed to.

McDonald's point—wharf improvements, $2,500.

Mr. HANSON: Is this another of the provincial government's wharves?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: What county is this in?

Mr. KING (Kootenay): Royal.

Mr. MEIGHEN: What is the work for?

Mr. KING (Kootenay): For converting a low water wharf into a graded wharf by means of gravel fill supported on either side by cribwork. The chief exports are farm products, and the chief imports general merchandise.

Mr. MEIGHEN: How long has the wharf been in use?

[Mr. Hanson.]

Mr. KING (Kootenay): It is one of the old works on the river. It must have been there for at least fifty years—I can remember it as a boy.

Item agreed to.

Mill's Point—wharf enlargement and repairs, $25,000.

Mr. HANSON: This is a very large expenditure, and apparently a new work. Nobody seems to know where Mill's Point is; I must confess I do not. Can the minister give us any explanation?

Mr. KING (Kootenay): The work will consist of rebuilding the superstructure of the wharf, replacing covering, stringers, and guard with creosoted timber, with the exception of the first six blocks and spans, where solid fill is proposed by blocking the spans with the best of the discarded stringers and filling with earth, stone, and so forth, and surfacing with gravel. The district engineer reports that the old top is very much worn and decayed, and is unsafe for the very heavy traffic over this structure during the whole season of open navigation. This wharf provides a landing place for the river steamer and for the many boats engaged in fishing. The steamer Miramichi makes three calls per week. The imports consist of general supplies for the public and for four stores, with a total business valued at about $55,000.

Mr. HANSON: What county?

Mr. KING (Kootenay): Northumberland.

Mr. MEIGHEN: I thought so.

Mr. HANSON: What parish?

Mr. KING (Kootenay): Hardwicke.

Mr. HANSON: I have lived in New Brunswick for a long time and I never heard of Mill's Point, and I have been in every important village in Northumberland county. It must be so small a place that one never hears about it in the ordinary course of business. I do not see how the minister can justify the expenditure of this large sum on a wharf there.

Mr. KING (Kootenay): Does my hon. friend suggest that this work should be allowed to go into disrepair and be abandoned?

Mr. HANSON: I do not say anything of the sort.

Mr. KING (Kootenay): That is what it means.

Mr. HANSON: No, it does not.

Mr. DOUCET: In what part of the parish of Hardwicke is Mill's Point?

Mr. KING (Kootenay): The wharf is on the south shore of Miramichi bay, twenty-two miles from the nearest railway connection at Loggieville. It will serve two-thirds of the parish of Hardwicke, with a population of 1,800.

Mr. HANSON: There is no such number of people at Mill's Point as 1,800, and I challenge anybody to produce statistics to prove it.

Mr. KING (Kootenay): That refers to the district round about.

Mr. HANSON: Oh, that would be the whole parish, an area, I suppose of 100 square miles.

Mr. DOUCET: We were told this afternoon that the proposed improvement at Escuminac would serve a population of 1,800, and now we are told that the proposed wharf improvements at Mill's Point will serve the same population, in the same parish, and a very sparsely settled one at that. This is a very large amount to expend on the repair of a wharf. I believe that public wharves should be kept in repair, and I would not oppose any vote to provide such necessary repairs in any part of the country. But in these days, when the minister has on two occasions stated his inability to provide accommodation for those who are following deep-sea fishing, involving a much smaller expenditure than this, to ask us to vote $25,000 to enlarge a public wharf at Mill's Point really looks a little too much like the pork barrel system.

Mr. MEIGHEN: We have a vote for New Brunswick of $228,000. New Brunswick is a province of eleven constituencies and fifteen counties. Of that $228,000, $45,000 is general and may be spent in any county, we do not know where. But aside from the $45,000 I have counted already $78,500 in the by-election county of Northumberland. Now, does the minister look this committee in the face and say that that $78,500 is anything more or less than the redemption of pledges made to win that election? This committee knows it is.

Mr. KING (Kootenay): I have no knowledge of it at all.

Mr. MEIGHEN: No other conclusion is possible. The minister is just asking the committee to be made his tool in order to redeem by-election promises in the county of Northumberland at points that nobody ever heard of.

Mr. ROSS (Kingston): I have sat quietly all this afternoon listening to the discussion of these items. I would have voted against the last item of $50,000 which was the subject of so much comment, and it will give me a great deal of pleasure to vote against this. I have lost faith in any report that the minister brings or will back up by his word. I listened last year to his defence of the Prince Rupert elevator. I went out there this year and found not a word of truth in it.

Mr. KING (Kootenay): I absolutely take exception to my hon. friend's statement. I am a responsible member of this House and my word is supposed to be taken in this House.

Mr. MEIGHEN: What word? What is the word given?

Mr. KING (Kootenay): My hon. friend has said that my statement was absolutely untrue.

Mr. STEVENS: He did not say that.

Mr. KING (Kootenay): Yes.

Mr. STEVENS: No, that is not what he said. I submit that if there is going to be a question of order, let us have the point of order properly stated so that we may know what it is.

The CHAIRMAN (Mr. Carroll): There is no point of order before me, as I understand it.

Mr. ROSS (Kingston): I do not wish to speak about the Prince Rupert elevator—it slipped out. I want to keep that for another time. We have had a proposal for the expenditure of $50,000 at another harbour to accommodate boats drawing three and a half feet of water—motor boats. We have listened to the excuses put up for these votes to accommodate fishermen, yet in all these great inland lakes we have just as many fishermen and we are not preparing harbours for them at a cost of $50,000 each.

Mr. KING (Kootenay): Yes.

Mr. ROSS (Kingston): I beg the minister's pardon; there are no harbours to which these boats will run, to begin with, on the Great Lakes. Even the $13,000 purchase at Trenton harbour will not accommodate any of the

fishermen. It is about time we came to realize in this House just what we are facing in regard to these votes. We are piling up new works by the millions, and I would ask the committee to consider this when they are asked to vote $50,000 and $25,000 under the circumstances connected with these appropriations. We have to face an $8,000,000 compensation to the Home Bank depositors. We have $5,000,000 to the Quebec Harbour Commissioners, which in time will run into $25,000,000, if we are to judge by comparison of the original Belle River expenditure and the estimate now put forward. We have the $3,000,000 for the Scribe hotel, which, it is stated, will very shortly amount to $4,000,000. We have the Petersen contracts of $13,500,000. We have the $7,000,000 Montreal bridge, which, we are also told, will cost $15,000,000 before it is finished. We have the Prince Rupert elevator, $1,300,000, and when it is completed there will be a demand for another railroad to bring the grain to that elevator. There is the Hudson Bay railway, $2,000,000, and when it is completed there will be an immediate demand for harbour improvements there. When we add all this up we must ask ourselves whether we are sincere in this talk of economy. We have enunciated a new policy now in the purchase of a municipal wharf at Trenton for $13,000. That will immediately be followed by demands to purchase many other wharves which are municipal burdens.

Mr. HANSON: I have a fine wharf to give to the department. They would not be asked to pay a cent for it.

Mr. ROSS (Kingston): Almost any part of the country would give the department a wharf. This thing is going a little too far. I cannot support a vote of $50,000 to make a motor boat harbour and then on top of that $25,000 to make another motor boat harbour, when in the city of Kingston we have been denied a few hundred dollars for the repair of a wharf which could provide a large amount of traffic for the National Railways. This wharf, which is leased by the National Railways, is in such condition that it is not safe to walk over it, yet the small amount which would be necessary to repair it cannot be provided. Now we are asked to provide $25,000, or rather $50,000, for motor boat accommodation in this locality. This is a little too much, and things have reached the point where one must express his opinion and declare himself against expenditures of this kind. I am going to vote against this item unless we can get some better explanation than that it is to provide accommodation for the fishing population. I would draw the attention of the committee to the fact that the House has adopted a motion to the effect that the Hudson Bay railway must be completed before any new work is started.

Mr. KING (Kootenay): But this is not a new work; it is reconstruction.

Mr. ROSS (Kingston): Some of these things are new, and as a matter of fact no one seems to know where this particular place is. So far as we can tell it might be absolutely new work. It may be that this is only for repairs, but the very fact that men living in the province cannot tell us where it is would seem to indicate that it cannot be a place of very great importance.

Mr. MEIGHEN: Can the minister tell us now of any other expenditures in the county of Northumberland than those I have named: Burnt Church, wharf repairs, $2,500; Escuminac, harbour improvements, $50,000; Loggieville, wharf repairs, $1,000; Mill's Point, wharf enlargement and repairs, $25,000, or over one-third of the whole vote for the province of New Brunswick. In addition to these, can the minister tell us what this county will get out of the general vote? What is there under dredging and other votes in this book of estimates for the year 1926 that will go to pay the government's election debts in the county of Northumberland?

Mr. KING (Kootenay): My right hon. friend takes some pleasure in talking about election debts. These are not election debts; they are votes for important public matters. The county of Northumberland is one of the large lumbering districts of New Brunswick. The Miramichi river is one of the great lumber waterways of the province, for there is no river in New Brunswick where there is such a large development in the lumber business at the present time. These works are of great importance to the district, and repairs are badly needed. This being the case, there is no reason why the minister should not come and place the case clearly before parliament. And that is what we are doing. The work at Mill's Point is important, the wharf structures there having been in existence for many years.

Mr. STEVENS: What is the size of the wharf?

Mr. KING (Kootenay): It is 1,338 feet long by 20 feet wide except for the outer 95 feet of the length, which is 30 feet wide.

Mr. HANSON: What was the original cost?

Mr. KING (Kootenay): It cost $21,000 when built.

Mr. STEVENS: When was that?

Mr. KING (Kootenay): In 1908-1909.

Mr. HANSON: The minister does not suggest that this is a lumber wharf. It is 25 miles down the river on the south shore and I do not think there is a mill on that side of the river below Chatham. There may be one at Loggieville but it would be a small one. So that there is no lumber shipped over this wharf, and the minister would seem to leave that inference.

Mr. KING (Kootenay): I am merely meeting the argument of my right hon. friend (Mr. Meighen) with regard to the great amount of money being spent in Northumberland, and I am showing that the county is an important one with a great waterway, and that there is a large production of lumber in the district, other industries being fishing and so on.

Mr. STEVENS: What actual tonnage went over the wharf last year?

Mr. KING (Kootenay): The exports are largely fish, salmon and herring. There were shipped over the wharf 5,000 barrels of oysters, 2,000 barrels of potatoes, and blueberries valued at $1,000; and there are ten large fishing boats and fifty smaller boats owned in the vicinity.

Mr. MEIGHEN: The minister has been charged with devoting a great portion of the expenditure under "Harbours and rivers, New Brunswick" to this one by-election county. So far we have got a total of $78,500 entirely outside of the general vote, that is to say, out of a total of only $228,000. The minister says in reply that this is an important county; it has a great water front; it is an exceptional part of the province; and for that reason it is only natural that it should get the big end of the vote. He says also that it has nothing to do with the by-election. The by-election was held last year and that is when the promises were made. I have before me the estimates for 1924, and how much do hon. members think was voted for the county of Northumberland, this important county with its large waterway, its extensive area, in that year? The total was one item, "Portage river, $600." The sum of $600 is voted when there is no by-election and $78,500 when there is.

Mr. KING (Kootenay): The by-election is over.

Mr. MEIGHEN: But the pledges were made then and the hon. member has to make good or he could not go home. In 1925, before the late lamented hon. member for Northumberland had died, all that the minister thought fit to give the county of Northumberland was a small vote for Bay du Vin, $1,600 for wharf repairs; in other words, $1,600 in the last two years, with no by-election to pay for.

Mr. MURDOCK: That last item should have been $1,600.

Mr. MEIGHEN: Yes, $1,600; I do not see clearly. But that is worth pointing out too; $1,600 and $600.

Mr. MURDOCK: It is well to check up my right hon. friend's inaccuracies once in a while.

Mr. MEIGHEN: In this case it is my eyesight that is at fault; I am sorry. As I say, it is $1,600 in one case and $600 in another; I hope I have not got a six when there should be a nought. If I have I will beg the Minister of Labour to earn his salary by correcting me. We will take 1922. This important county of Northumberland, with such a large waterway which is in so much need of expenditure, was cast to the winds in 1922, when not a dollar was given it. In three years, therefore, when there was no by-election, the [illegible] vote amounted to $2,200. But now in one year we find an expenditure of $78,500, or a [illegible] of the vote devoted to the whole province of New Brunswick. And that money the taxpayers of Canada must contribute in order to have the present member in the House.

Mr. DOUCET: A moment ago the minister said that there were large lumber interests in the county of Northumberland and that its waterways were important. I do not begrudge any development work that may be done in that county; but when the minister insists on trying to lead the public to believe that it is the only important county in the province—

Mr. KING (Kootenay): The minister did not say that.

Mr. DOUCET: I certainly take exception to the statement. We have a vote for harbours and rivers in the province of New Brunswick this year of $228,300. Of that amount $45,000 will be spent for harbours and rivers generally. The greater portion of it may go to Northumberland, or any other county where the government may choose to bring on a by-election. Of the balance

of $183,300 the sum of $78,500 is being spent in the county of Northumberland and none in the neighbouring county, and yet I have been striving for the last two years to get some small works done for the purpose of protecting the fishery industry on the seaboard of Kent, which is just as important as the fishery industry in the county of Northumberland. As a matter of fact there is more shelter in Miramichi bay than there is in the straits of Northumberland on the seaboard of Kent county. But I have not been able to get my hon. friends to agree to make those disbursements. The present vote is nothing more than the fulfilment of pre-election pledges. The Postmaster General—who I am sorry is not in his seat—made a promise on the eve of the election to the enterprising town of Nelson that he would see that his colleague gave them a nice public building; I would ask whether the provision for such a building has been made this year. The minister does not answer. Possibly he has decided that he would look after the breakwater this year, and provide the public building next year or at some time when another by-election will be on.

I understand that the present member for Northumberland (Mr. Snowball) also promised in the by-election campaign that he would develop the port of Neguac. That may be taken care of under the general vote for dredging. It would be interesting for us to learn whether the dredging promised to be done at Neguac will be provided for in the general vote. Let me point out that the rest of the province of New Brunswick, irrespective of whether there are by-elections or not, is entitled to its share of public expenditure for the purpose of giving protection to industries that are just as important as are those on the river Miramichi. As the representative of the county of Kent I shall insist again and again, if another session of the present parliament is held, that a little better care be taken in providing for the needs of the remaining constituencies of the province instead of limiting expenditures to "pork barrel votes" for the county of Northumberland.

Mr. STEVENS: I should like to ask the minister a question. I notice that these items —Burnt Church, Escuminac, Loggieville and Mill's Point—are all repairs to wharves.

Mr. HANSON: At Escuminac there is a new breakwater.

Mr. STEVENS: Well, it is in the nature of wharf repairs or construction. Will the minister tell me if there are any items in this vote of $45,000 which provide for dredging in the vicinity of any of these places to which I have referred in the county of Northumberland?

Mr. KING (Kootenay): Our dredging vote will be discussed later, but I believe there will be. As a matter of fact more or less dredging work is done annually in the county of Northumberland, in the harbour of Miramichi and on the Miramichi river.

Mr. STEVENS: More or less is good.

Mr. KING (Kootenay): I will be able to give information as to the dredging work later.

Mr. COPP: I want to say to my hon. friend (Mr. Doucet) on behalf of my colleague (Mr. Murphy), who is not present, that he was down in the county of Northumberland and addressed three meetings. At two of the meetings—one at Chatham and the other at Newcastle—I was present with him and it is unfair for my hon. friend to say that the Postmaster General made any promise that a public building would be built at Nelson. I was present with the Postmaster General when he was driving through Nelson. He stopped and saw the building, and I may inform my hon. friend that he recognized that the question of erecting a new building should be given every consideration because such a building should be constructed.

Just prior to the election of my hon. friend (Mr. Doucet) considerable money was being expended in the county of Kent. A wharf was under construction at that time representing, I think, an expenditure of fourteen or fifteen thousand dollars. I think that wharf has been completed since my hon. friend has been representing the county. I have not gone through the estimates to know just how much has been provided in the case of my hon. friend's county, but I am informed that there is to be work done at Buctouche. My hon. friend is not fair in claiming that that particular county is being overlooked because he represents the constituency as an opponent of the government. The Minister of Public Works, I believe, has always been very willing to give every consideration to representations made by hon. gentlemen opposite. The right hon. leader of the opposition has been complaining because a wharf was built in the constituency of the hon. member for Royal (Mr. Jones).

Mr. MEIGHEN: When did I say that?

Mr. COPP: To-night. My right hon. friend was questioning the expenditure.

Mr. MEIGHEN: I will not allow the hon. member to put words in my mouth. I saw him listening when I was speaking and I cannot understand how he could make such an error. I made no comment whatever. I merely asked questions to assure myself of the nature of the work.

Mr. COPP: I thought my hon. friend was insinuating it was an extravagant piece of work—

Mr. MEIGHEN: You did not think that at all—

Mr. COPP: —and a case of providing for that constituency for election purposes as he has been charging was done in other constituencies.

Mr. HANSON: May I be allowed to correct my hon. friend? I expressed surprise that so much money was being expended.

Mr. STEVENS: I want to suggest to the minister—he has intimated there are some other expenditures for dredging in connection with the work referred to—that this is a very large and very important item and I think it would be advisable to let it stand, keeping company with the previous one of $50,000 which is also standing. I would like the minister to give me his attention while I am speaking. I am simply suggesting that this contentious item should stand, and that he should bring down for the committee information regarding the dredging so that we may have it fully before us and be properly seized of the whole question.

Mr. KING (Kootenay): I should like to meet the desire of my hon. friend but I can see no good reason why we should not proceed. We have already had a lengthy discussion on this item. It is not a new work, it is the reconstruction of a work that has been in existence since 1908 or 1909. It requires renewal at this period, the vote is a proper one and the committee should decide as to their action in regard to it. I should like to get on. I have set aside the other item on account of it being an item for new work and have let it stand, so that hon. members might have time to consider the stand they would take, whether they would fight it or move to have it reduced; but this is an item for renewals and repairs for a wharf which has been in existence for many years, and I think we should proceed with it.

Mr. STEVENS: I want to suggest to the minister that it is not wise, in discussing these items, to take an attitude of forcing things through. The minister must recognize that a number of items have been passed today, and we are quite prepared to pass others, but here is a very important one and we desire certain information in regard to it. He tells us he has not that information. I am not criticizing him for not having the information, but simply suggesting that this additional information should be given to the committee, and in justice to the committee we are entitled to receive that information before the item is passed. I suggest that this item stand and that we proceed with the less important items at the bottom of the page. The minister will find that it will not hamper him in the passing of his estimates to meet a courteous request with similar courtesy.

Mr. KING (Kootenay): I think my hon. friend misunderstands. In regard to this $50,000 item, hon. members will have ample opportunity of discussing it on any other item if they wish. My only desire is to facilitate the work of the committee. If this item passes we will proceed with the next. If it is the wish of the committee to say to the government, "You can pass only this item" or "You can pass only that other item" it makes it very difficult. My hon. friend will have an opportunity of discussing this item under other items. It seems to me that is reasonable and fair. As far as dredging at this point is concerned, my information is that there will be no further dredging at that point, but that there will be some dredging in that vicinity, and we will be glad to give the committee that information.

Mr. HANSON: Would the minister also bring down the estimates of the dredging that will be required for the Escuminac improvements? If my information is correct very little dredging will require to be done.

Mr. MEIGHEN: All that my hon. friend is asking for is that the Northumberland item stand. Surely it is reasonable that before we start to pay this note we should know what the face of the note is. It is all right to say that we can discuss it under another item; but if ever a country with a body of groaning taxpayers was entitled to know just what it had to pay to elect these government candidates, surely it is now. We have part of the note in the county of Essex, and we already have part of the note in West Hastings, and now to the extent of $78,500—although that is only a small fraction of what Essex cost us—we have it in Northumberland. I venture to suggest to the committee that this is only a fraction of what the

treasury of Canada has to pay for the success of the government so much boasted of by the Prime Minister and his lieutenants in the county of Northumberland.

Mr. STEVENS: Will the minister let the item stand?

Mr. KING (Kootenay): Yes, if the hon. member seriously asks it.

Item stands.

McAlpine's—wharf repairs, $1,200.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In the county of Royal, known as McAlpine's wharf.

Mr. MEIGHEN: How long has this been there?

Mr. KING (Kootenay): Many, many years.

Mr. MEIGHEN: Nothing new about this?

Mr. KING (Kootenay): No.

Item agreed to.

Oromocto—wharf improvements, $4,500.

Mr. HANSON: What are the repairs there?

Mr. KING (Kootenay): This is in the county of York-Sunbury. The work will consist of building a concrete face across the front and lower side, 5 feet high; protecting 50 feet of the upper face with a concrete slab 1.5 feet thick; placing a concrete covering on the main portion of the wharf, 74 feet by 35 feet; building two concrete corner piers and a concrete roadway approach 200 feet long by 10 feet wide. This is on the river St. John.

Mr. HANSON: Will this be done by tender.

Mr. KING (Kootenay): No, day labour.

Mr. HANSON: I think this is a job which could very well be done by tender, and probably save the department a considerable sum of money. It simply means a concrete face to that wall. That is practically the whole work. Plans of the work can be drawn, and I would advise the minister to have it done by tender rather than by days' work. He may not please a few of the boys round there, but it will save the country some money.

Item agreed to.

Pointe du Chene—repairs to breakwater, $2,100.

Mr. MEIGHEN: What is the nature of this work?

[Mr. Meighen.]

Mr. KING (Kootenay): This is in Westmorland county. The work will consist of placing large stone blocks on the old breakwater where the stringers and covering have been washed off. It is recommended by the district engineer in order to save the structure.

Item agreed to.

Port-Elgin—dredging in Gaspereau river, $20,000.

Mr. HANSON: I think we should have some explanation of this item. This was voted last year, the work was not proceeded with, and it is a revote. My information is that this is not necessary in the public interest.

Mr. KING (Kootenay): This is a revote. Last year we asked for tenders, but failed to get any bid for the work, if I remember rightly.

Mr. HANSON: I suppose the reason was that the quantities were so small.

Mr. KING (Kootenay): Or they were too high, and the contract was not gone on with. It is proposed to dredge a channel in the Gaspereau river to the village of Port Elgin one and a half miles. There are 60,000 cubic yards in place to remove. Years ago the department undertook this work and it has never been completed, with the result that the previous expenditure, which was a considerable sum, has been of no real advantage to the community. This will mean a completion of the work which was commenced many years ago and the dredging practically done. Port Elgin is a small community having a population of 1,000—

Mr. HANSON: I know all about it.

Mr. KING (Kootenay): —and in the district there are some 5,000 people. It is a manufacturing point and there is considerable lumber in the district. The figures given me were:

Lumber 3,500,000 feet, board measure.
Laths 2,500,000

A large proportion of the lumber is at present shipped by rail, and could more economically be transported by waer. There are six fish packing establishments a Port Elgin, packing herring largely imported from the Magdalen islands. The value of the industries at Port Elgin is given as follows:

Lumber	$105,000
Laths	20,000
Woollen imports	40,000
Fish	150,000
Farm produce	40,000
Total	$355,000

Mr. HANSON: Does the minister say any of that lumber will be shipped by water?

Mr. KING (Kootenay): It is not being shipped at the present time by water.

Mr. HANSON: But it will be?

Mr. KING (Kootenay): Possibly it will be.

Item agreed to.

Rexton—wharf repairs, $1,000.

Mr. DOUCET: I am asking the committee not to delay this vote. It is $1,000 out of $1,800.

Item agreed to.

Shediac—wharf repairs, $17,000.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): Westmorland county.

Mr. HANSON: This is an important vote, and since the car ferry began to run between Cape Tormentine and Borden, Prince Edward Island there has been no steamship service at Shediac, I understand. What is the use of keeping up the big pier at Point du Chene? No steamers call there as in former days. Is any lumber being shipped there now?

Mr. KING (Kootenay): This work will consist of rebuilding the top of the wharf, replacing covering, stringers and guard with creosoted timber, with the exception of the first four blocks and spans, where solid fill is proposed by blocking the spans with the best of the discarded stringers, and filling with earth, stone et cetera, surfaced with gravel. Creosoted timber is to be used for the renewal of the superstructure, and creosoted hardwood for the flooring. The district is an important one. There are shipments of lumber. The wharf is also used as a landing by fishermen and farmers from the mainland surrounding Shediac bay and Shediac island. Ten thousand to fifteen thousand barrels of potatoes, four thousand barrels of oysters and five thousand bushels of clams pass over the wharf annually, together with quantities of fish products and general merchandise. The structure is one that I do not think should be allowed to go into disrepair.

Mr. MEIGHEN: How much has been spent on the wharf in recent years?

Mr. KING (Kootenay): The cost of construction was $32,086.96 and the repairs amounted to $1,609.84.

Mr. MEIGHEN: When was the wharf originally constructed?

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

Mr. COPP: It has been there for a long time.

Mr. MEIGHEN: Has there been any storm lately causing damage that requires repairs amounting to more than one-half the cost?

Mr. COPP: Two years ago there was a very severe storm there and the wharf was materially damaged. There were some temporary repairs last year, and this is to complete the repairs.

Mr. MEIGHEN: Why were the full repairs not done last year?

Mr. COPP: There were temporary repairs last year to keep the wharf intact until there was an opportunity of repairing it.

Mr. MEIGHEN: Why was the complete work not done last year so as to avoid temporary repairs?

Mr. COPP: What was done last year was not wasted by any means.

Mr. MEIGHEN: Why was the complete work not done last year?

Mr. KING (Kootenay): There are many works that have to stand over and that are standing over to-day.

Mr. MEIGHEN: I do not speak about that. My point is this: If work is to be repaired practically immediately on an important wharf—and I think Shediac is a place of some size—it is far better to do it than to make temporary repairs one year and then next year make permanent repairs. It seems to me as if the government thought this would pay better this year.

Item agreed to.

Shippigan Gully—breakwater repairs, $4,500.

Mr. HANSON: This is an old friend. How much has been spent on Shippigan Gully breakwater in the last twenty years?

Mr. KING (Kootenay): On construction, $156,000, on repairs, $31,000. This work consists of repairing a section 237 feet long on the west breakwater, with a close pile face fastened to wales supported by rear piles at five-foot intervals, and all connected to the present breakwater with cross-ties extending to the inner rear piles. The engineer reports that the face of the breakwater along the section to be repaired is in bad condition and is apt to break through in a storm. As the breakwaters at Shippigan Gully perform an important work in keeping the channel

deepened for the numerous shipping boats, it is necessary to keep them in good repair. The fishing fleet consisting of over 100 boats use this passage to and from the fishing grounds each week. The value of the fisheries benefited is about $700,000 annually.

Mr. HANSON: This is a very important work, but I never can understand why this breakwater gets out of repair every year. I think the minister will find that his department has spent money there every year for the last five years. While this work has to be kept up, I think the engineering department should devise ways and means to stop this large annual expenditure. Whether there is faulty construction or defective plans, I do not know, but there is a big charge and a heavy upkeep as the work is being carried on now.

Item agreed to.

St. Andrews—wharf improvements and repairs, $3,200.

Mr. HANSON: Is this the public wharf in the centre of the town?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: What county is this in?

Mr. KING (Kootenay): Charlotte.

Mr. MEIGHEN: Why was nothing done last year?

Mr. KING (Kootenay): Last year we had voted some $3,000 for the construction of a shed. This was deferred until the winter season owing to scarcity of labour during the summer. It was found impossible to complete the work during 1924-25, an expenditure of $340 having been reported to March 31, 1925. This revote is, therefore, asked for this year.

Mr. HANSON: I was on that wharf several times last season and the surface was not in any too good shape. I think some of this money might be used to better advantage in looking after the structure than in building a superstructure.

Mr. KING (Kootenay): The engineer reports that the shed is a necessity there. I have no doubt if the wharf structure required urgent repairs, he would so report. Apparently he is not asking a very large sum for repairs.

Item agreed to.

Young's Cove—rebuilding wharf, $6,000.

Mr. HANSON: Before we finally exhaust these repairs in New Brunswick, I should like to know if the minister has had any requests for anything from the island of Grand Manan.

10 p.m.

I cannot see a single dollar for that island. As the minister knows, that island is away out in the middle of the bay of Fundy. There are no hardy fishermen like them along the Atlantic coast. They are the people who are in need of protection from the elements more than those of any other place I know of in the Maritime provinces. I do not think there is in the fishing industry any other post of danger equal to that which the fishermen of Grand Manan occupy. Apparently, however, there is nothing in the estimates this year for them. I would point out to the minister that the majority of the people of Grand Manan have voted faithfully in season and out of season for the Liberal party, and yet this is the kind of reward that is being meted out to them! I shall have great pleasure in going to Grand Manan and telling the people of Grand Manan—where at some elections they voted four to one in favour of the Liberal candidate—that there is not a single dollar for Grand Manan in the estimates this year.

Mr. LAPOINTE: That is another kind of song.

Item agreed to.

Quebec—Anse a Giles—wharf repairs, $1,300.

Mr. STEVENS: What is this?

Mr. KING (Kootenay): This is just for repairs to renew the spans between cribs and fill two passes between cribs with cribwork. There has been a total expenditure at this point of $8,316. It is situated on the south shore of the St. Lawrence about forty-six miles below Quebec. It forms part of the parish of Cap St. Ignace and the population of 1,000 is engaged in farming principally.

Mr. STEVENS: Carried.

Item agreed to.

Anse St. Jean—wharf repairs, $1,570.

Mr. STEVENS: What is this?

Mr. KING (Kootenay): It is recommended by the district engineer for repairs required to maintain the structure in good condition. The steamers of Canada Steamship Lines Limited are scheduled to call there four times weekly.

Mr. STEVENS: Is this work part of a contract? I notice $3,300 was spent last year and $1,570 is asked for this year; these two amounts would come pretty well up to your

$5,000 limit. I raised this point last year. Is it becoming the practice of the department to undertake works beyond the $5,000 mark by day labour instead of calling for tenders? This work apparently has cost about $5,000, and should be done by contract.

Mr. KING (Kootenay): We had a vote last year of $3,300, of which we expended $3,256 This is to complete the repairs. I think the practice of doing these works by day labour or by contract has been discussed very fully.

Mr. STEVENS: It was last year, and we may have to discuss it again this year.

Mr. KING (Kootenay): Yes. New work that can be done by contract is advertised and tenders are called for. But repairs, especially repairs to old wharves, are the most difficult to get tenders on. As I stated this afternoon, a contractor going to an old structure of that kind finds the risks are so great that he will not give a close figure on the job. The result is the department does much of this repair work by day labour under the direction of its district engineers.

Mr. STEVENS: I appreciate that. I do not want the minister to misunderstand me. I think it is his duty to the committee to make clear that wherever possible tenders are called for, and personally I am insistent that that should be the practice.

Item agreed to.

Bagotville (St. Alphonse)—wharf extension and repairs, $22,000.

Mr. STEVENS: This is a large item.

Mr. KING (Kootenay): This vote is required to widen the approach by twenty-one feet for a length of 291 feet, the outer wall to be cribwork backfilled with earth and stone and covered with a macadam surface. Requests were received for widening the wharf to accommodate the tracks of the Roberval-Saguenay Railway Company. The district engineer states these repairs are required for the maintenance of the structure in good condition to accommodate a very heavy traffic. Last year their exports amounted to $850,000.

Mr. STEVENS: Over this wharf?

Mr. KING (Kootenay): Yes; and the imports, consisting of general merchandise, amounted to $750,000. The passenger traffic was: inbound, 4,939; outbound, 4,894. The freight traffic consisted of: inbound, 637 tons; outbound, 386 tons. The wharf is an important structure in a flourishing district. It is a deep water terminal and the railway runs to the wharf.

Mr. STEVENS: Here we have a typical case. Two years ago there was a vote of $8,500—apparently all expended; last year a vote of $1,850—all expended; this year we have a vote of $22,000. Has any of the work covered by these votes been done by contract, or has it been all carried out by day labour?

Mr. KING (Kootenay): There will be a contract called for the enlargement of the approach, which is estimated to cost $19,450. The minor repairs, amounting to $2,550, will probably be done by day labour.

Item agreed to.

Baie St. Paul—bank protection, $25,000.

Mr. STEVENS: How is it that this item does not show the expenditure of last year?

Mr. KING (Kootenay): There was none under that head last year.

Mr. STEVENS: Yes; Baie St. Paul, $12,500 last year, and another vote the year before.

Mr. KING (Kootenay): Not under this head.

Mr. STEVENS: It is under the same wharf.

Mr. KING (Kootenay): Yes.

Mr. STEVENS: We have it here right alongside, $9,700. Has any of this work been done by contract?

Mr. KING (Kootenay): That was a contract.

Mr. STEVENS: And the vote this year is to complete the contract?

Mr. KING (Kootenay): No, this is a new item entirely.

Mr. STEVENS: I mean the other one.

Mr. KING (Kootenay): Yes.

Mr. STEVENS: What is this bank protection?

Mr. KING (Kootenay): It is to protect works to be constructed along the banks of the river Gouffre. Last year in the fall heavy floods caused tremendous destruction along the river, and representations were made to the government to assist the municipality, in co-operation with the provincial government, by doing certain works there. These works will not only protect the town of Baie St. Paul, but also certain local works which the government own and control.

Mr. STEVENS: What is the population and the business?

Mr. KING (Kootenay): About six thousand.

Mr. CRERAR: What are the municipality and the provincial government putting up?

Mr. KING (Kootenay): The Quebec government through the Quebec Streams Commission have been investigating with a view to carrying on certain portions of this work. I have not a definite statement from them as to the amount they will spend, but they are taking one portion of the river, the municipality another and we another. Their contribution, as I understand it, will be very considerable.

Mr. HOEY: Representations have been made to the minister several times on behalf of certain people living along the Red river in connection with damage by flood. In fact I think a couple of houses at Gonor, Manitoba, were almost swept away, but the minister has refused to consider their claims. I am afraid he is opening the door here to very wide expense if the government is committed to a policy of this kind.

Mr. KING (Kootenay): The question of expenditure on river bank protection is a pretty large one. Personally I am opposed to the Dominion government accepting the whole burden. First, the person whose property is destroyed should consider his own case and see what he can do for himself. Then the municipality should follow; from there it should go to the provincial government, and if it is too large then, there can be co-operation between the Dominion, provincial and municipal governments. If that course is followed I do not think we will be led into very serious difficulties.

Mr. STEVENS: This would appear to be one of those cases that the Minister of Labour would like to have measured by the British North America Act. What river is this on?

Mr. KING (Kootenay): River du Gouffre.

Mr. STEVENS: This work is in navigable waters?

Mr. KING (Kootenay): Yes.

Item agreed to.

Baie St. Paul—wharf repairs, $9,700.

Mr. STEVENS: Two years ago we had a vote of $15,000 for this work. About one-fifth of that was expended. Then we had a vote last year of $12,000, which seems to have been all expended. Now we have another vote for $9,700. This work is done by day labour?

[Mr. Stevens.]

Mr. KING (Kootenay): No, contract. The work was practically completed last year when these tremendous floods came down and destroyed part of what had been done. That is why we are asking for additional money now.

Item agreed to.

Barachois de Malbaie—breakwater repairs, $800.

Mr. KING (Kootenay): This is a repair work, requiring the driving of seventy-eight sheathing piles along the northerly face of the breakwater. It is recommended by the district engineer. The harbour is used largely for fishing. The yearly amount of business carried on at this place is $275,000.

Mr. CRERAR: Where is this?

Mr. KING (Kootenay): In the district of Gaspe.

Item agreed to.

Bic—wharf reconstruction, $5,500.

Mr. STEVENS: Will the minister explain this?

Mr. KING (Kootenay): This is to rebuild 3 blocks 12 feet in height, 21 feet in width and 30 feet in length each, at a cost of $3,000; to level and rebuild the outer end of wharf upon a length of 60 feet by 21 feet in width, at a cost of $500; to drive 100 protection piles 35 feet in length along the eastern face of the outer portion of the wharf, $2,000. It is recommended by the district engineer. The yearly shipping at that point amounts to $100,000. All sorts of produce are exported to the north shore and Quebec. The imports consist of goods, merchandise and provisions for local consumption.

Item agreed to.

Bonaventure—harbour improvements, $9,000.

Mr. STEVENS: This shows a vote for 1924-25 of $20,000, but I do not see it in last year's estimates.

Mr. KING (Kootenay): It was in the supplementaries of last year. It is to complete the contract.

Mr. STEVENS: How much has been paid out on the contract?

Mr. KING (Kootenay): $6,000.

Mr. STEVENS: The estimates show a vote of $20,000 last year and a revote this year of $9,000. That would mean that $11,000 of last year's appropriation was expended. How was that expended?

Mr. KING (Kootenay): There was $6,000 expended and $5,000 lapsed. The contract was for some $14,000. We require a revote this year of $9,000 to complete.

Mr. STEVENS: Then the $20,000 vote was too large?

Mr. KING (Kootenay): Larger than we needed, yes.

Mr. KELLNER: Why was this vote in the supplementary estimates instead of in the general estimates last year? I think this question is pertinent inasmuch as we are really continuing last year's work now.

Mr. KING (Kootenay): The supplementary estimate brought down last year originated the work. Now we are continuing the work and the vote is brought down in the main estimates.

Mr. KELLNER: That is merely a statement of fact which I knew before. What I want to know is why a large vote like that should not come naturally in the general estimates.

Mr. KING (Kootenay): I think the proper procedure has been followed in this case.

Item agreed to.

Cacouna—wharf repairs, $1,800.

Mr. STEVENS: This is the third year that parliament has been asked to vote this item. It seems to be another one of the continuous performances which we have been witnessing.

Mr. KING (Kootenay): This vote is required for annual repairs.

Mr. STEVENS: Where is this place?

Mr. KING (Kootenay): This is in Temiscouata constituency. The work will consist in laying a two-inch flooring six hundred feet long by thirty feet wide to permit the safe circulation of traffic on the wharf. As is well known, this is an important point on the Saguenay river and there is considerable traffic there. A great many tourists visit the place and there is a considerable amount of produce handled. It is estimated that some 30,000 bushels of potatoes were shipped to Quebec last fall. The wharf was built in 1890. There will also be renewed twenty pieces of six-inch sheathing.

Item agreed to.

Cap de la Madeleine—freight shed on wharf, $9,000.

Mr. CRERAR: Is this shed similar to one at a place called Blind River which was discussed the other day?

Mr. KING (Kootenay): Yes. It is a wooden freight shed 132 feet long by 60 feet wide. There has been a great deal of development in this vicinity in the last year and a considerable traffic will go over the wharf from now on. It is located near Three Rivers and a large pulp industry is being developed at this point. There will also be shipments of coal and sulphur going in and out and altogether the activities will warrant the structure. We shall get a revenue from the shed.

Mr. CRERAR: How much?

Mr. KING (Kootenay): It will depend upon the tonnage, but the Marine department will collect a fair charge and it is expected that a considerable revenue will be derived.

Mr. LUCAS: This is a new vote.

Mr. KING (Kootenay): Yes, we are putting up a new shed.

Mr. HOEY: Is the entire amount being spent on the freight shed?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: Will the minister guarantee a revenue of $100 a year?

Mr. KING (Kootenay): There will be a fair revenue.

Mr. MEIGHEN: From what?

Mr. KING (Kootenay): Well, there will be 80,000 tons of general merchandise, 75,000 tons of newsprint, 20,000 tons of kraft paper, and some 5,000,000 feet of timber all being shipped over the wharf.

Mr. MEIGHEN: What will be the charge?

Mr. KING (Kootenay): Up to the present time there has been little tonnage. Until recently no paper development has taken place there, but there will be considerable activity this year.

Mr. CRERAR: What company is turning out the paper?

Mr. KING (Kootenay): The St. Maurice Pulp and Paper Company.

Mr. CRERAR: Is the shed being built especially for their convenience?

Mr. KING (Kootenay): Not necessarily; it is for the general use.

Mr. MEIGHEN: But the minister said that until the company came there was no other purpose for the shed.

Mr. KING (Kootenay): I did not say that; I said that there was not much tonnage, but that there will be from now on. Through the activities of the pulp company the population has increased and there is every prospect that a very large tonnage will move over the wharf.

Mr. MEIGHEN: The minister said there was no revenue until now.

Mr. KING (Kootenay): I said there was no shed until now.

Mr. MEIGHEN: It is the shed that will bring the revenue.

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: And there will be a large revenue from a $9,000 shed.

Mr. KING (Kootenay): I did not say that.

Mr. MEIGHEN: Is it not $9,000 that we are voting here?

Mr. KING (Kootenay): I said that there was likely to be a large tonnage moving over the wharf.

Mr. MEIGHEN: But I understood the minister to say that the shed would bring the revenue.

Mr. KING (Kootenay): The shed and the storage will be a convenience which the people will pay for.

Mr. MEIGHEN: What revenue will be got from the shed?

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

Mr. MEIGHEN: Well, I think my guess was about right. Is it the practice to build sheds for concerns? I know it is the practice to keep up their wharves at select places, but I did not know that we built sheds too.

Mr. KING (Kootenay): I think it is better for the department to build the shed at that point rather than that the company should build their own shed for their own purposes. This shed will be used by the public generally as well as by the company.

Mr. MEIGHEN: But the department could have a policy whereby sheds on public wharves would be open to the public at the usual fee and in that way the whole country would be relieved of a large expenditure, while the man that built the shed would be paid.

Mr. KING (Kootenay): I think this plan will work beter.

Mr. MEIGHEN: I should like to know anything else of the minister's that has worked out better than this will. If the minister will look over the revenue he has derived from these expenditures he will find that he can put them all in the hollow of his hand.

Mr. CRERAR: I desire again to protest as I did the other day in connection with a similar vote for a shed at a place called Blind River. The principle is a bad one and I trust the minister will see that his colleague of the Marine department (Mr. Cardin) will collect at least sufficient revenue from this shed to pay all expenses in connection with it including depreciation and interest on the investment.

Mr. KING (Kootenay): I think that will be done.

Mr. ROBINSON: Perhaps I could throw a little light on this matter; I know something about wharves and sheds. The government, for instance, builds a wharf at some point in Nova Scotia, we will say. A subsidized steamer calls there and lands three or four boxes of sugar besides cement and other articles, late at night. What is to become of those things? Are they to lie on the wharf all night long even though there may be a rain storm? There must be some place in which to store them. Hon. members might say that the public should put up a building; but where would they put it—on government property? So far as I know anything about sheds in Nova Scotia, they are usually very small buildings; there is a small waiting room in the front and a store room at the back. Those that I have seen would not be bigger than forty by twenty feet; in fact, that would be a large one. People waiting on the wharf for a boat during a storm would be in a very bad way if they had nowhere to wait. I think that the present vote will serve a real need. Of course, I do not suggest that the government should enter on any tremendous expenditure, building warehouses for the benefit of the general public; but I do believe that there is a need in this regard. I have been in a great many places where I was glad to have some place in which to shelter while I was waiting for a boat during a storm. I might explain it in this way: The necessity has come to be real. I do not think that where perishable goods are landing they should be left out on a wharf over night unsheltered. What would the hon. member suggest in a case of that kind?

Mr. CRERAR: I would suggest that the district that benefits from the shed, or the transportation company that is deriving revenue from the carriage of passengers and

freight should provide the shed. I quite appreciate, I think, the position that my hon. friend and his constituency are in, and probably a good many other constituencies where these sheds are necessary. But I do submit, in all honesty and sincerity, that it is not a sound principle that the general taxpayers of Canada should be taxed to provide facilities for any traffic of this character. The question involved is one of principle. For instance, in my own constituency there is a lake that is becoming in a very considerable measure a summer resort. I think I would be just as much justified in coming to this House and asking for a vote of money to build a shed on the wharf on that lake for the convenience of the passengers there, as the hon. member who represents this constituency is in asking for this vote. Still I do not think the principle is sound, and I wish to say that future expenditures of this kind should be carefully scrutinized.

Mr. ROBINSON: Perhaps I may be allowed a word or two further by way of explanation. We have in Nova Scotia warehouse companies that build warehouses for the convenience of people that are shipping apples and potatoes, or people that are receiving coal. They never use the government warehouse for purposes of that kind. In most places the government shed is a small structure that serves to shelter people in inclement weather, and allows perishable goods to be stored until whoever wants them can come and get them. I quite agree with my hon. friend. I do not believe this country should be taxed to build private warehouses. But I can see no reason when a steamer lands at a wharf why some kind of shelter should not be given to passengers waiting to board a boat, especially if the vessel is subsidized and running under government auspices.

Mr. STEVENS: This is a different case. Here we have a large plant established in the locality, and the minister tells us there is now a very large movement of merchandise—coal and sulphur inward; pulp and paper, and kraft paper outward—and the tonnage which he mentioned is very extensive. Consequently we are justified in coming to the conclusion that this shed is being built to especially accommodate the tonnage of this plant. I am not complaining about that, but what I do suggest is that where a shed or other accommodation is obviously placed at the public expense for a private concern there ought to be sufficient revenue coming from it to amortize the capital cost and pay a reasonable interest on the carrying charge.

Mr. ROBINSON: I agree with you.

Mr. STEVENS: As regards my hon. friend's references to these more or less isolated services on the sea coasts—both coasts—I understand him quite thoroughly. They are a great convenience and in a great many cases are absolutely necessary. But this is a different thing. I want to say this to the minister: I remember last year—I cannot recall exactly what case it was—a very large expenditure similar to this. Now in the case of all these expenditures—whether it is in the harbour of Quebec such as we were discussing last night, or the harbour of Vancouver, or any of the larger ports—the user of the facility ought to pay the cost to the country of the installation. There is a duty resting on this government or on parliament. Where there are navigable waters it is the duty of the government to keep the channels open; but it is not the duty of parliament to supply capital to build sheds for private enterprises, and that is what we are doing here.

Mr. KING (Kootenay): I think my hon. friend will find that the tolls charged and the revenue derived therefrom will take care of the sinking fund and interest.

Mr. MEIGHEN: At this point?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: We got details the other night of one where the minister assured us there would be some revenue.

Mr. KING (Kootenay): It is not in line with this at all.

Mr. MEIGHEN: And it was shown that we got $16.

Mr. KING (Kootenay): It is not in line with this at all.

Mr. MEIGHEN: Where is it out of line?

Mr. KING (Kootenay): It is entirely different.

Mr. MEIGHEN: A different province that is all.

Mr. KING (Kootenay): No, a different development altogether, quite different.

Mr. LUCAS: Has the minister any estimate of the revenue that will be derived at that point?

Mr. KING (Kootenay): No, the tolls will be charged by the Marine department. I cannot speak with any certainty but I imagine there will be a considerable sum realized.

Mr. STEVENS: I should like to ask the Minister of Marine and Fisheries—who is

sitting immediately behind the Minister of Public Works and will have this work directly under his control, and no doubt has already provided the necessary schedule of fees—what the fee per ton will be for wharfage in this case?

Mr. CARDIN: Unfortunately I have not before me that information. I may say, however, the Cap de la Madeleine is a very important place. It is on the St. Lawrence near its junction with the St. Maurice river and has developed very considerably in the course of the past few years. Very large paper mills have been established at Cap de la Madeleine, and the population of the place is in the neighbourhood of 9,000 at the present time. It is very easy to understand that to serve such a community a wharf and a shed are of great importance; they are necessary in order to handle the traffic coming from the paper mills, and also to meet the need of the merchants and traders of the locality. Cap de la Madeleine is practically a new place. Ten or fifteen years ago the population numbered only about 1,000; to-day it has grown to practically 9,000. Very great industries have been established in this locality, and the only facility they have on the St. Lawrence is this wharf. Considerable traffic will be developed on the wharf, and I am quite sure the revenue will be sufficient to meet the interest on the expenditure that is made.

Mr. STEVENS: Will the minister permit me this question? I am not objecting to the vote, I realize from what the Minister of Public Works has said that it is quite an important work, but I would like to get some idea of the method that is to be employed in raising this revenue. Will the tonnage charge be 10 cents or 15 cents, or 25 cents a ton?

Mr. CARDIN: I could not say exactly. In the case of certain wharves we make a charge of so much a ton for their use, and we charge certain companies a fixed amount. For example at Chicoutimi we charge the Price Brothers Company, who use the wharf at that place, a sum of $5,000 a year. Probably we will have to fix a charge of that nature for the company using this wharf. It depends on the circumstances and the nature of the traffic that passes over the wharf; there is no fixed rate. I understand too, that in the case of this shed we will charge a certain amount on the goods that will be stored there—that is the understanding. Unfortunately I have not got the details as to which will be charged. As I say, there is no established tariff in regard to these wharves; it depends upon the circumstances, the importance of the locality, and the extent of the traffic. In the present instance the venture is practically a new one necessitated by the development which has taken place at Cap de la Madeleine.

Mr. STEVENS: Will the wharfinger be appointed there?

Mr. CARDIN: Yes.

Item agreed to.

Caughnawaga—wharf reconstruction, $8,000.

Mr. MEIGHEN: We spent $2,500 last year to repair this wharf, and this year we are going to spend $8,000 to reconstruct it.

Mr. KING (Kootenay): This is another section of the wharf. There is tremendous traffic passing across the river at that point, and boats are running hourly or oftener. Last year over 31,178 automobiles crossed at this point, 3,279 trucks and 2,233 other vehicles. It is estimated that the traffic will amount to about 45,000 vehicles.

Mr. STEVENS: How much do they pay?

Mr. KING (Kootenay): It is a private ferry company.

Mr. STEVENS: How much does each vehicle pay for landing on the wharf?

Mr. KING (Kootenay): Nothing.

Mr. STEVENS: Is there a ferry across the river?

Mr. KING (Kootenay): Yes.

Mr. LUCAS: Will this complete the programme at this point?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: Is this to be by contract?

Mr. KING (Kootenay): Yes, under contract.

Mr. MEIGHEN: Is it under contract?

Mr. KING (Kootenay): We constructed a part of it last year. This is a new section which will be under contract this year.

Mr. MEIGHEN: Not yet under contract?

Mr. KING (Kootenay): No.

Item agreed to.

Chateau Richer—wharf repairs, $1,450.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): In Charlevoix-Montmorency.

Mr. MEIGHEN: On the St. Lawrence river?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: How long has that wharf been there?

Mr. KING (Kootenay): The wharf is 272 feet long and $34,000 has been expended.

Item agreed to.

Chicoutimi Basin—wharf repairs, $1,500.

Mr. MEIGHEN: This is not Charlevoix?

Mr. KING (Kootenay): No, Chicoutimi-Saguenay.

Mr. STEVENS: In 1923-24 there was an item of $6,000 for this wharf, apparently all spent. In 1924-25 the amount was $4,800, and now we have an item of $1,500.

Mr. KING (Kootenay): This is a large structure and there are some repairs practically every year. Last year, 1924-25 we spent $4,686. The wharf is a very large one, and 1,200 passengers passed over the wharf last year, 350 vehicles and 100 tons of freight weekly. It is one of the terminal wharves on the Saguenay river.

Mr. STEVENS: There have been certainly very heavy repairs. In 1921-22, $6,000, in 1923-24, $6,000 and 1924-25, $4,800 was spent on repairs. It averages about $5,000. What is the revenue from this wharf?

Mr. KING (Kootenay): The customs revenue at that point?

Mr. STEVENS: No, the revenue from the wharf? Is there no wharfage at all?

Mr. KING (Kootenay): Well, it is not very great, it is a small collection. In 1923 the collections were $240 and in 1922, $145. The customs revenue was $67,455. There were 23 sea-going vessels and 99 coasting inland vessels. The ocean tons amounted to 38,264 and the coasting inland tonnage 121,000, making 159,000 tons.

Mr. STEVENS: Does it not strike the minister and the government as an extraordinary position? Here is a wharf described as a very important one, and I have no doubt it is. We have spent $5,000 per year in repairing it alone, and we get one year $240 and another year $145 in revenue. I really think we ought to face the question of obtaining revenue at these places that are capable of paying considerable sums for the accommodation given to them. Can the minister hold out any hope that there will be revenue from this wharf in the future? It rather destroys confidence in the suggestion that there will be revenue in the future on these new commitments. That is the point I desire to make.

Mr. KING (Kootenay): The report we had from the Marine department shows collections last year of some two hundred dollars odd, but I notice here that we have in 1921, 1922 and 1923 apparently collected revenues that are not shown on that sheet. In 1921 the figure is $4,928, in 1922, $5,638, and in 1923, $7,818. Those apparently are not customs collections.

Mr. MEIGHEN: Who collected them?

Mr. KING (Kootenay): I think the Marine department.

Mr. MEIGHEN: I think the minister gave us the Marine department figures.

Mr. KING (Kootenay): There seems to be some confusion, or else this is not a correct statement.

Mr. MEIGHEN: The Minister of Marine and Fisheries is in the chamber, and we would like to have these correct figures.

Mr. KING (Kootenay): I do not think he would have them in his mind. I will be glad to advise my hon. friend later as to the correctness of these figures.

Mr. MEIGHEN: It would not be much good later, but it would be interesting.

Mr. KING (Kootenay): It is a very small item. I do not think my hon. friend wishes to hold up the annual repairs to a structure of this kind. That is not the intention I understand, and I will be glad to verify the figures which I have given and which I hope are correct.

Mr. MEIGHEN: The next day the Minister of Marine and Fisheries is dealing with his estimates he might give the figures.

Mr. KELLNER: Has the minister ever had a census taken of the wharves in the eastern provinces? Does he know how many there are? I have been looking over the Auditor General's report and find page after page of wharves, and I think we should have a return of these wharves.

Mr. STEVENS: It is an expensive thing to take a census.

Mr. KING (Kootenay): These wharves are visited by the departmental engineers each year.

Mr. KELLNER: Has the minister any figures of the number of wharves in that province?

Mr. KING (Kootenay): I have not them before me. Many wharves are shown in the items before us to-day, but many others do not appear. There is a complete list of these works in the department.

Item agreed to.

Contrecœur—wharf improvements, $1,100.

Mr. STEVENS: What is this item?

Mr. KING (Kootenay): This is to improve the flooring by laying a six-inch concrete flooring on 115 feet long of the right of way to wharf 17.6 feet wide.

Mr. CRERAR: When was it floored last?

Mr. MEIGHEN: What county is it in?

Mr. KING (Kootenay): Chambly-Vercheres.

Mr. MEIGHEN: Floored before the last general election.

Mr. STEWART (Argenteuil): Did the right hon. member floor it for the last election?

Mr. ROBB: It is a frank admission.

Item agreed to.

Coteau Landing—improvement to wharf approach, $1,000.

Mr. KELLNER: What county is that in?

Mr. KING (Kootenay): Vaudreuil county. This is required to complete the work let in 1924 and 1925 for repairing and improving the approach of this wharf. It consists of laying a concrete floor. Last year $1,739, was expended.

Item agreed to.

Cross Point—wharf extension, $5,000.

Mr. MEIGHEN: What county is this in?

Mr. KING (Kootenay): Bonaventure. There is a revote of $3,600. This is to complete the contract at that point.

Mr. MEIGHEN: Why was it all deferred to this year?

Mr. KING (Kootenay): We spent $2,800 last year. This is to complete the work.

Mr. MEIGHEN: If the minister spent $2,800 out of a vote of $3,600, how is there $3,600 left?

Mr. KING (Kootenay): We are asking for $5,000 now. There was nothing spent at the time the estimates were made up.

[Mr. J. H. King.]

Mr. MEIGHEN: According to the estimates there was nothing spent last year. Now we are told that $2,800 is spent out of a vote of $3,600, the minister says that $3,600 still remains to be revoted.

Mr. KING (Kootenay): There was $2,837 spent. We are asking for $5,000 of which $3,600 is a revote.

Mr. MEIGHEN: Either the minister is twisted or the estimates are wrong.

Mr. STEVENS: Did the minister take that out of the general vote?

Mr. KING (Kootenay): When the estimates were made up, we estimated that we would require $5,000 to complete the work. Since then the work proceeded and $2,837 was expended before March 31, 1925. We spent more than we thought we should, and therefore we shall not require the full estimate of $5,000. Of course these estimates were made up long before the 31st March.

Mr. MEIGHEN: The minister says that $2,837 was spent.

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: Before it was voted?

Mr. KING (Kootenay): No. Out of last year's vote.

Mr. MEIGHEN: He cannot have spent it out of last year's vote or his estimates are wrongly printed. I have made this statement several times and the minister does not seem to have got it yet. Last year's vote was $3,600. The minister asks that of that $3,600, the whole of amount be revoted. He cannot have the whole amount if he has spent anything. So he cannot have spent any of last year's vote. Therefore, if he has spent $2,837, he has spent it out this year's vote before we have had the privilege of voting it.

Mr. KING (Kootenay): No.

Mr. MEIGHEN: What is the explanation?

Mr. KING (Kootenay): I thought I had made it plain that the $2,837 was spent out of last year's vote. My right hon. friend is confused. When our estimates were made up, we did not expect to expend any part of last year's appropriation and an estimate was made up of $5,000 to carry this expenditure. Of that amount $3,600 would be a revote. In the meantime, after the estimates had been made up and printed, the contractor went ahead and spent out of last year's vote some $2,837. We are not changing the vote. We will complete the contract and the

balance that is unexpended will lapse. The thing is perfectly clear.

Mr. MEIGHEN: It is clear now, but the minister did not make it clear before. The fact of the matter is that this revote is wrong. There is not $3,600 to be revoted.

Mr. KING (Kootenay): That is true.

Item agreed to.

Desjardins—wharf reconstruction, $16,000.

Mr. MEIGHEN: Who gets this?

Mr. KING (Kootenay): This is in the county of Pontiac. It is for reconstruction of the wharf from the water line.

Mr. STEVENS: What river is it on?

Mr. KING (Kootenay): The Ottawa river. The amount is required for the proper maintenance of this wharf in good repair, to accommodate a regular traffic, averaging 150 passengers, fifty rigs and fifteen automobiles daily. It is used by a number of farmers in the vicinity, and general supplies and merchandise pass over the wharf.

Mr. MEIGHEN: When was this reconstructed last?

Mr. KING (Kootenay): I have not the date of the last reconstruction. Probably it was some years ago. There has been a total expenditure of $21,261 at this point.

Mr. MEIGHEN: That is all that has ever been spent there?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: How do the automobiles pass over?

Mr. KING (Kootenay): They cross back and forth on the river.

Mr. MEIGHEN: There is a ferry?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: What is the revenue from this wharf?

Mr. KING (Kootenay): We do not operate the ferry. There is no revenue from the wharf.

Mr. MEIGHEN: Is the minister hopeful that with the reconstruction there will be a revenue?

Mr. KING (Kootenay): Not at that point.

Mr. MEIGHEN: Why?

Mr. KING (Kootenay): Because of the character of the traffic, it would not probably be one of the points at which it is usual to make a charge. I do not think the government has any desire to change its policy in that regard at the present time.

Mr. MEIGHEN: Do automobiles cross at this point?

Mr. KING (Kootenay): They cross the river. They pay the charges for the ferry, but they do not pay for crossing the wharf.

Mr. MEIGHEN: Does the ferry company pay nothing?

Mr. KING (Kootenay): They do not pay anything, to my knowledge.

Mr. MEIGHEN: Who makes a contract with the ferry?

Mr. KING (Kootenay): We license them through the Public Works department. The fee is only a nominal one.

Mr. GARLAND (Bow River): Who operates the ferry?

Mr. KING (Kootenay): I have not the name of the individual operator. That would be available in the department if my hon. friend is interested.

Mr. GARLAND (Bow River): Some private concern.

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): Is it customary to build these conveniences for private concerns for work of this kind without securing any work from them?

Mr. KING (Kootenay): My hon. friend can hardly say that. This is a public wharf and it is a great public convenience. It is true that the ferry uses this wharf as it will the wharf on the other side of the river at Pembroke, Ontario. As for making a charge at this point, I do not think it is worth while. You would have to put somebody there to make your collections, and the work would cost more than the revenue collected.

Mr. GARLAND (Bow River): I have in mind the practice in some of the western provinces, where the provincial government installs the ferries and charges a fee after a certain hour at night. The people of the province pay for the service in that regard. Is it on a different basis in Ontario?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): Then why does the federal government step in and build the approaches? In Alberta the provincial government builds them. I have no doubt there is an explanation; what is it?

Mr. KING (Kootenay): There is other traffic at this wharf.

Mr. GARLAND (Bow River): There is also other traffic besides automobile traffic over the ferries in Alberta; for instance, there is a very heavy grain traffic both in summer and part of the winter.

Mr. KING (Kootenay): Do you make a charge for the use of the ferry?

Mr. GARLAND (Bow River): After a certain hour for the use of the ferry, not for the wharf.

Mr. KING (Kootenay) The government does not want to enter into the ferry business. That would be "worse and more of it."

Mr. GARLAND (Bow River): The minister misunderstands me. In Alberta the government, though not in the ferry business, installs the ferries. In addition to that it builds the approaches and takes care of them. I want to find out what is the reason for the difference in Ontario in cases of this kind, where I find the federal government building the approaches for a private concern?

Mr. STEWART (Argenteuil): These are not approaches, these are wharves where the steam ferries land.

Mr. GARLAND (Bow River): Do boats come up there and unload cargoes of merchandise?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): It is a sort of port?

Mr. STEVENS: It is a "national port."

Mr. MEIGHEN: If the hon. member will just get the significance of this: he ought always to have a wharf where there is a ferry.

Mr. STEWART (Argenteuil): No, there are ferries without wharves on this river, just as in Alberta we land on the dirt.

Mr. STEVENS: It is too bad that the hon. member in whose riding this huge sum is being expended is not here to support it and to give us some information.

Mr. KING (Kootenay): What information would my hon. friend like?

Mr. STEVENS: We would like to know why it is that a business operation can be carried on at a government wharf upon which $16,000 is being expended for repairs and reconstruction in one year without any revenue at all to justify it. It is really an aggravated case. We have been pointing out to the minister several instances where a few hundred dollars is collected and there is an expenditure of a thousand dollars every year. Here we have a large expenditure of $16,000, with a regular private business being carried on, and no revenue in return. I again suggest to the minister that the time has arrived when the federal authorities should secure revenue, because we are enlarging this liability. I admit it is a growth over a long period of years; but we discussed this last year, and this year we are met by exactly the same statements, indicating no serious thought whatever on the part of the government of either stopping the expenditure or getting some compensating revenue for it. Again I say, it would be very much better if we could have had some support for this vote from the member in whose constituency the expenditure is being made, to show why these rather extravagant repairs should be made merely to accommodate a free ferry.

Mr. KING (Kootenay): My hon. friend is not fair. This is a wharf on the Ottawa river handling general traffic. It is true that one of the conveniences the people have there is a ferry service between Pembroke, the adjoining town, and Desjardins. The people who are landed on the wharf use it from that ferry. Does my hon. friend for one moment suggest that we should appoint a wharfinger to exact toll from the passengers using that ferry? If that is the policy he would like this department to adopt, why did he not consider it when he was in office? But I do not think he would entertain it at all if he were in charge. The collection would be so small that the cost would be out of all proportion. There are larger centres where wharfingers are appointed, and proper collections made, but this is a country district, and I do not think it would be good policy to make a charge.

Mr. STEVENS: The minister puts up a straw man to knock down. I never suggested a wharfinger should be appointed to collect revenue. There would be no difficulty whatever where a ferry is landing regularly to have a small fee collected, either from the concern that is running the ferry or from those who use the ferry and the wharf. It could be collected by the ferry man and turned over to the government. The minister takes my remarks in a wholly wrong spirit. I prefaced what I said a moment ago with the observation that I knew this was a growth over a long period of years, and I suggested it was time—

I made the same suggestion last year—that we paused to consider either making these services revenue-producing and self-sustaining, or else stopping the expenditure. Now, it must be impressed upon the minds of all, and I am sure if the government can for one moment get away from the political aspect of it they must be impressed too, that tremendous pressure is being brought to bear for new wharves. Look at the wharves we discussed this afternoon—some of them utterly unnecessary. Again I cite what my right hon. leader stated—an expenditure of $78,000 in a constituensy where there has been nothing spent for some years, showing there was no need for an annual expenditure as indicated. And so it goes on in these days when everyone is anxious to curtail public undertakings. But when we come to the minister with a desire to discuss the matter fairly and non-politically, he comes back with a quasi-political speech. I again say to the minister that when out of public moneys we can spend $16,000 on a wharf for a ferry to land at, it is time we collected some revenue to make that a self-sustaining service.

Mr. EVANS: Mr. Chairman, I would submit that a wharf of this kind should be a provincial undertaking entirely. I cannot see any difference betweeen this and furnishing a ferry service, say, across some of the rivers in the prairie provinces which the municipalities and the provincial government have themselves to provide. For instance, there are places in my own constituency where the farmers cannot even market their grain until the rivers are frozen over. Pocketed in certain places as they are, they can get no help either from the government or the Canadian National Railways to build them a railway. But I cannot see why those people there should be taxed to construct works here, which are simply provincial and municipal in character, while they have to fight their own battles. When a short while ago the member for Springfield (Mr. Hoey) asked the question, the minister took the ground that the municipalities in the case that the member brought forward should look after themselves. I submit that most of the votes we have passed to-night are for municipal or provincial undertakings, and these should not come under the care of the Dominion government at all.

Mr. CRERAR: Is the wharf built at the request of the ferry company, which I understand is a steamship company?

Mr. KING (Kootenay): No, the wharf is for general use. It so happens there is a service between Pembroke and Desjardins, the former being the trading town of the people in this district.

Mr. MEIGHEN: There is no business for the wharf except what the ferry brings.

Mr. KING (Kootenay): They transact other business on the river.

Mr. MEIGHEN: I do not know what it would be.

Mr. KELLNER: Is it a floating wharf?

Mr. KING (Kootenay): No, it is a permanent wharf.

Item agreed to.

Doucet's Landing (Ste. Angele de Laval)—dredging, $25,000.

Mr. MEIGHEN: Where is that?

Mr. KING (Kootenay): Nicolet county.

Mr. MEIGHEN: Has there been dredging done in previous years?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: How deep are they trying to make the water there?

Mr. KING (Kootenay): Twelve feet at low water level.

Mr. LUCAS: Will this complete the programme?

Mr. KING (Kootenay): It will complete the dredging programme, yes.

Mr. MEIGHEN: St. Lawrence dredging does not usually appear in these votes. This must be some localized dredging.

Mr. KING (Kootenay): This is just in front of Three Rivers. It is the south end of the ferry between Three Rivers and the south shore. Dredging is done from time to time in order that the service may be carried on. With regard to dredging on the St. Lawrence, the Department of Public Works do a very considerable amount of dredging.

Mr. MEIGHEN: Not under these separate votes.

Mr. KING (Kootenay): Yes, if they are large enough they are put in a separate vote.

Mr. MEIGHEN: Is any company especially to get the benefit of this?

Mr. LAPOINTE: Canadian National Railways. There is a branch line from Arthabaska to this place, communicating with Three Rivers. It was a branch line of the old Grand Trunk. Doucet's Landing is on the south shore; Three Rivers is on the north shore.

Mr. MEIGHEN: How much was spent there last year?

Mr. KING (Kootenay): Nothing last year.

Mr. MEIGHEN: When was the dredging done there before?

Mr. KING (Kootenay): Altogether $24,000 has been spent there in dredging.

Mr. MEIGHEN: At a place where only that amount has been spent since confederation, why is it that we need $25,000 this year?

Mr. KING (Kootenay): Dredging was done some years ago and is now needed again. These places fill up and require dredging from time to time.

Mr. MEIGHEN: Has the Canadian National Railways asked for this, or is it the member for the riding thinks it would be a good thing?

Mr. KING (Kootenay): The Deputy Minister of Railways asked for it.

Mr. MEIGHEN: But not the National Railways?

Mr. KING (Kootenay): Yes, the National Railways.

Mr. MEIGHEN: Who wrote on their behalf?

Mr. KING (Kootenay): The Deputy Minister of Railway and Canals wrote in 1924 asking whether the department would consider taking over this wharf and enlarge and repair same; also some dredging. The engineer recommends the work. Estimated cost, $24,786 for dredging and $213 for inspection fees.

Mr. MEIGHEN: There was no request there by the National Railways to do dredging. There was a letter from the deputy minister wanting to know if the Department of Public Works would take over the wharf. That is not a request from the National Railways to do dredging.

Mr. KING (Kootenay): I imagine he was acting on behalf of the railways. He is a director of the railways. All the requests from the Canadian National Railways come through that office.

Mr. MEIGHEN: He is also Deputy Minister of Railways, and he may have been asking on their account. But anyway he did not ask for the dredging; what he asked for was the taking over of the wharf.

Mr. KING (Kootenay): Wharf and dredging.

[Mr. Lapointe.]

Mr. MEIGHEN: Who did the dredging before?

Mr. KING (Kootenay): The Public Works department.

Mr. MEIGHEN: Then you would not take over the dredging. I did not catch any dredging in the letter.

Mr. KING (Kootenay): I did not read any letter; I simply referred to the notes here. It is stated that the deputy minister in 1924 asked the department if they would consider taking over the wharf, repair same and provide for dredging. There is nothing unusual about that. It seems to me it would be the proper channel through which the request should come.

Mr. MEIGHEN: I would not think that would be the way at all. If the National Railways made a request for a certain expenditure they would probably make it through the Railway department, who would transmit the request to the Public Works department. What the minister has given us is merely a request from one department to take over a certain wharf, or the responsibility for it, and do some dredging for the other department, that is all.

Mr. KING (Kootenay): That is all.

Mr. MEIGHEN: So then we have nothing in the way of a request from the National Railways.

Mr. KING (Kootenay): It is not essential that there should be.

Mr. MEIGHEN: I did not say it was, but I asked if there was, and the answer now is exactly opposite to that first given. It is really the member for the riding who thinks it would help out a little, I guess.

Item agreed to.

Fauvel—repairs to breakwater-wharf, $1,000.

Mr. STEVENS: It is nearly half past eleven and we sat pretty late all this week—until one o'clock last night. We have done a good deal to-day. I suggest that we pass this item and report progress.

Mr. KING (Kootenay): All right. This is for repairs, new floors and stringers. It is in Bonaventure county.

Item agreed to.

Progress reported.

Mr. ROBB: I should like, if there is no objection, to move the House into committee of Supply in order to introduce an interim supply bill.

Mr. MEIGHEN: But the House cannot go into committee of Supply again to-night, and the bill requires the usual introduction.

Mr. ROBB: Well, we will let it stand over until Monday.

On motion of Mr. Mackenzie King, the House adjourned at 11.20 p.m.

Monday, June 1, 1925.

The House met at three o'clock.

COPYRIGHT ACT AMENDMENT

Mr. W. G. RAYMOND (Brantford): I move, Mr. Speaker, that the recommendation in respect of printing, which is contained in the third report of the special committee appointed to consider and report upon Bill No. 2, respecting the Copyright Act, which was presented to the House on the 29th ultimo, be concurred in. The committee recommended the printing of 1,000 copies, 800 in English and 200 in French. It was hoped that 200 would be sufficient in French, although a great deal of interest was manifested in the work of the committee by the French authors. And as members of this House are of course all aware, the literature of Canada is perhaps rather more complete in French than it is in English.

The committee in their work were animated by the idea that perhaps the most important thing to preserve in the nation was its thought, the product of its mind; for after all, the intellectual attainments of any country are its most valuable attainments. The committee recognized the fact that the thinkers have done more for the advancement of the world than even the great commanders or warriors, and that while the work of Alexander, or Caesar, or Napoleon has been swept away by time, just as the sand castles of the boy on the sea shore are swept away by the rising tide, yet the great thinkers like Confucius and Buddha, Jesus Christ, Shakespeare and Darwin, are immortal; their thoughts live forever. It is therefore highly important to preserve the literature of a nation, and it is preserved by the copyright laws which give the necessary encouragement to its authors.

I do not wish to take up the time of the House unnecessarily, but this I think is a question in which we are all deeply interested; we must feel the greatest interest in the intellectual progress of our country. Those who study the development of copyright law will find it a most fascinating subject; they will find from the first decree on the subject from the Star Chamber in 1556, or some eight years before the birth of Shakespeare, down to the last British copyright act of 1911, there is covered almost exactly the period of development of that great English literature of which we have so much reason to be proud and for which mankind should be thankful. And, as we come down through the various periods, we find in each of them that when there was an improvement in the copyright law there was a corresponding improvement in the literature of the period immediately following.

This bill is an endeavour to bring the copyright legislation of Canada nearer to that of Great Britain and more in keeping with the Berne convention. I hope the government will be able to find a time for the consideration of this bill by the House. The hon. member for Ottawa (Mr. Chevrier), who has had the matter in charge, has devoted a great deal of time, trouble and care to its preparation, as have all the members of the committee, and I sincerely trust that the government will set aside a time in which the bill may be introduced before the House is prorogued. I should be glad if the House would concur in the recommendation that the proceedings of the committee be printed.

Mr. MEIGHEN: Is the only purpose of the motion to print the proceedings of the committee?

Mr. RAYMOND: Yes. If there is no objection I would move that the motion be amended to provide for the printing of 750 copies in English and 250 in French.

Motion as amended agreed to.

CANADIAN NATIONAL RAILWAYS—EMPLOYEES' COMPENSATION

Hon. A. B. COPP (Secretary of State) moved for leave to introduce Bill No. 167, to amend an act to provide compensation where employees of His Majesty are killed or suffer injuries while performing their duties.

He said: By the statutes of Canada, 1918, chapter 15, as amended by chapter 14 of the statutes of 1919, employees of His Majesty who are injured and dependents of such employees who are killed are entitled to the same "compensation" as the employees, or the dependents of deceased employees, of persons other than His Majesty would under similar circumstances be entitled to receive under the law of the province in which the accidents occur. Provision was also made for the utilization of the provincial machinery in determining such

compensation. The amendments proposed in this bill are intended to overcome difficulties which have been encountered from time to time in the administration of the act and which have been occasioned by the variety of interpretations placed upon it by the provinces in considering the act in conjunction with the respective provincial acts. Formerly, before an Intercolonial employee could take advantage of the compensation provided in 1918 he had to elect whether he would come under the Provident Fund Act, at that time in force among Intercolonial railway employees, or under the federal act.

Mr. HANSON: Have the employees elected to come under the federal compensation act?

Mr. COPP: Previously they had to elect to come under one or the other. That is not necessary now; they have the right to this compensation without making that decision.

Mr. BAXTER: Will this in any way affect the funds of the Provident association?

Mr. COPP: Not in the slightest.

Mr. CRERAR: Does this mean that the employees of the Intercolonial railway will be able to draw relief from two sources?

Mr. COPP: The Provident fund is an insurance scheme and under its provisions an employee who was injured temporarily received nothing. It applied only to the man himself after he had been with the railway a number of years; upon his retirement he got $30 a month, but his dependents get nothing. And the superannuation ceased with his death. This act provides that the railway employees shall receive the compensation the same as all other railway employees, irrespective of the Provident Fund Act.

Mr. CRERAR: Is there any system of pensions under the Canadian National Railways in which such employees will participate?

Mr. COPP: No.

Mr. BAXTER: I understood that we had corresponding legislation in New Brunswick—and I thought the same was true of Nova Scotia—for the purpose of enabling relief of this character to be given and employees of the railway to be dealt with by the Compensation board of the province. I thought that was absolutely in force.

Mr. GRAHAM: It is a case of interpretation.

Mr. BAXTER: I do not want to discuss the matter at length now, but about a couple of months ago some gentlemen saw me in connection with this matter. These gentlemen are under the impression, whether rightly or wrongly, that there is some scheme on foot by which the management of their provident fund is to be taken away from them. I understand that if an employee of the railway is injured the government, under existing legislation, will pay in accordance with the scale of compensation in force in the particular province in which the injury occurs. The provident fund, I believe, is made up of subscriptions by the employees and is resorted to in case of infirmity or old age. I think I have the assurance of the minister, but I would ask him to make it perfectly clear, that there is nothing in the proposed legislation which will in any way affect that provident fund.

Mr. COPP: Not at all.

Mr. BAXTER: Will the minister go further and say that what has been lacking in the previous legislation will now be made good and the employees will get compensation under this amendment?

Mr. COPP: Under the present legislation an employee has to elect whether he will come under the compensation act or the provident fund. The provident fund, as my hon. friend knows, does not give anything to the dependents of a man injured or killed while working on the railway. Under this amendment the provident fund is left intact and compensation is worked out by the compensation board in each province.

Mr. BAXTER: This does not infringe on the provident fund at all?

Mr. COPP: No.

Mr. GRAHAM: I think all the provinces but one interpret compensation in the manner made clear by this bill.

Motion agreed to and bill read the first time.

PRIVATE BILLS

FIRST READINGS

Bill No. 161, from the Senate, for the relief of Harriet Elizabeth Couch.—Mr. Clifford.

Bill No. 162, from the Senate, for the relief of Margaret Helen Strickland.—Mr. Hocken.

Bill No. 163, from the Senate, for the relief of John Henry North.—Mr. Duff.

Bill No. 164, from the Senate, for the relief of Walter Thomas Pratchett.—Mr. Church.

Bill No. 165, from the Senate, for the relief of Mary Jane Apedaile.—Mr. Sheard.

Bill No. 166, from the Senate, for the relief of Cecil Donnelly.—Mr. Ladner.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

VANCOUVER SPILLERS ELEVATION

Hon. Mr. STEVENS:

1. Did the Vancouver Harbour Commissioners arrange with the Vancouver Terminal Grain Company (Spillers) for the use by the latter of the conveyor galleries and grain loading equipment on a jetty. adjacent to the elevator of the said Vancouver Terminal Grain Company?
2. If so, what is the tariff rate for charges for the use of said conveyor and loading system?
3. Did the chief engineer of Vancouver Harbour Board make a report on the cost of the jetty and recommend a per bushel rate of one-half cent as loading charges?
4. Has any request been filed by R. H. Gale, president of the Vancouver Terminal Grain Company, for a lower schedule of rates than that recommended by the chief engineer?
5. If so, what rate has been asked, and has the said application been granted?

Hon. Mr. CARDIN:

1. Yes.
2. ¼ cent per bushel.
3. Chief engineer made a report only as to cost of jetty, did not recommend any charge.
4. See answer to No. 3.
5. Mr. Gale has verbally asked for a rate of 1/10 cent per bushel, which has not been granted.

BRITISH PETROLEUM WELL No. 4—TEST

*Mr. SPENCER:

1. Has there been a test made by the Canadian National Railway officials of crude oil taken from the British Petroleum well No. 4 in the vicinity of Wainwright, Alberta?
2. If so, what were the results obtained?

Hon. Mr. GRAHAM: Mr. Speaker, such a test has been made, but as it was made purely for a private company, the Canadian National management think, and the government agrees with their opinion, that it would be unwise to give this information to parliament.

CANADIAN SCOTTISH AND CANADIAN BRITISHER

Mr. COOTE:

1. Who were the contractors for the construction of the ships, Canadian Scottish and Canadian Britisher?
2. In what year was the contract let?
3. What was the amount of the contract?
4. What payments were made to the contractors and on what dates?
5. When did the contractors refuse to complete the ships?
6. By whom were the ships finished after the failure of the contractors to complete?
7. What amount was paid these parties for the completion of the ships?
8. What was the total cost of the two ships?
9. What amount was paid by the government to parties having claims against the contractors?
10. When was bond given by the contractors for the completion of the ships, and what was the amount of the bond?
11. When was demand for payment of the bond made by the government on the bonding company?
12. What was the total tonnage of these ships?
13. What was the cost per ton for construction of these ships?

Hon. Mr. CARDIN:

1. The contract was negotiated with the John L. Mullen Construction Company (who afterwards assigned their interests to the Prince Rupert Drydock and Engineering Company, Limited), in October and November, 1918. The order in council authorizing the construction of the ships is dated 12th December, 1918. The formal contract with the Prince Rubert Drydock and Engineering Company, Limited, was signed on the 21st February, 1919.
2. Answered by No. 1.
3. $198 per ton deadweight. Estimated for the purpose of the contract 8,100 tons deadweight at $198 per ton = $1,603,800 for each ship.
4.

Canadian Scottish

Date of payment	No. of instalment	Amount
26 Feb., 1919	1	$ 160,380
10 Oct., 1919	2	160,380
24 Dec., 1919	3	160,380
3 March, 1920	4	80,190
18 March, 1920	5	160,380
20 May, 1920	6	320,760
24 Sept., 1920	7	240,570
		$1,283,040

Canadian Britisher

Date of payment	No. of instalment	Amount
26 Feb., 1919	1	$ 160,380
24 Nov., 1919	2	160,380
24 Dec., 1919	3	160,380
7 April, 1920	4	80,190
26 April, 1920	5	160,380
20 May, 1920	6	160,380
28 July, 1920	8	160,380
		$1,042,470

5 The department was advised by telegram from Prince Rupert dated 1st November, 1920, that work on the construction of the two ships had ceased. On the 7th December, 1920, an order was made by the court adjudging the contractors bankrupt.

6. The Wallace Shipyards Limited, North Vancouver, B.C.

7. $1,226,515.24.

8. Canadian Britisher, $2,132,565.58; Canadian Scottish, $2,142,585.74.

9. $286,495.

10. The contractors were under security from 11th February, 1919. The bond which was outstanding on the date of default was given on 21st April, 1919, and was in the sum of $321,000.

11. Bonding company was notified of the default of their principal under the bond, 2nd November, 1920.

12. Canadian Britisher, 8,320 tons deadweight; Canadian Scottish, 8,305 tons deadweight.

13. Canadian Britisher, $256.32 per ton deadweight; Canadian Scottish, $257.99 per ton deadweight.

PELAGIC SEALING TREATY 1911

Hon. Mr. STEVENS:

1. Under the treaty of 1911, between Great Britain, United States, Japan and Russia, what compensation has been paid to, (a) Russia; (b) Japan; (c) Canada; (d) United States?

2. Has the treaty and subsequent arrangement thereunder of July, 1911, been officially published in Canada and if so, where may these publications be found?

3. Under Article 16 of the said treaty has any notice been served by any of the four signatory powers that the said treaty will be terminated?

4. Has there been any accounting given for the seals killed at Robben reef, Japan and Commander island, Russia?

5. Has Canada received payment of 15 per cent under articles 12 and 13 of the said Treaty?

6. Has pelagic sealing been carried on at Okhotsk sea since the treaty was entered into?

7. Have the United States authorities reported on the status of the sealing herd? If so, what steps have been taken to check the accuracy of the said reports?

8. Did the experts, at the time of the treaty, estimate that its effect would bring the herd up to about three million?

9. What is the total number of seals killed on the Pribylof islands since 1900?

10. Is the government aware that the number killed since 1910 on the said island, is about double the total catch by Canadian sealers prior to 1910?

11. Did W. T. Hornaday, the seal expert, estimate that the herd numbered to-day about three million seals?

Hon. Mr. CARDIN:

1. (a), (b) and (d) Canada has no information. (c) $694,548.16.

2. The treaty was published in the Canada Gazette of December 16, 1911; in Volumes 1 and 2 of the Statutes of Canada 2 George V.; in Sessional Paper No. 84 of 1912 and in the Annual Report of the Fisheries Branch of the Department of Marine and Fisheries for 1911-12.

3. Canada has not been informed that any of the parties to the treaty has given such notice.

4. Yes.

[Mr. Cardin.]

5. Canada has received the 15 per cent provided for by article 12 of the treaty for the years in which killing seals for commercial purposes took place on the Russian islands until 1920. Since then no information is available as to whether seals have been killed on these islands. Canada has received the 10 per cent provided for by article 13 of the treaty for the years in which killing seals for commercial purposes on the Japanese islands took place.

6. Not so far as Canada is aware.

7. Yes. In 1914 two officers of the Canadian government visited the Pribylof islands for such purpose. No such steps have since been taken.

8. Any expression of opinion by experts at the time the treaty was concluded would doubtless be based on the length of the period during which the treaty would remain effective.

9. No information.

10. No.

11. No information.

CANADIAN NATIONAL RAILWAYS—FREIGHT TRANSFERRED

Mr. KELLNER:

How many tons of freight were transferred from the Canadian National Railways to the Grand Trunk Pacific west of Fort William during the year 1923-24?

Hon. Mr. GRAHAM: In view of the fact that these lines are operated as one unit, the management state that this information is not available.

CANADIAN NATIONAL RAILWAYS—CHATEAU LAURIER SUITE

Mr. HUBBS:

1. Is another suite of rooms being fitted up in the Chateau Laurier hotel, or renovations being made in any suite, by the Canadian National Railways for the use of Sir Henry Thornton?

2. If so, what has been or will be the cost of this work?

3. Was the cost of refitting the bath $900?

4. Is Sir Henry paying this expense personally?

5. If not, who is?

Hon. Mr. GRAHAM:

1. No.

2, 3, 4 and 5: Answered by No. 1.

MR. ERNEST McCAY

Mr. HUBBS:

1. Has Mr. Ernest McCay been dismissed from the position of customs officer at the port of Kingsville, Ontario?

2. If so, what were the reasons for such dismissal?

3. Were any charges made against this officer?

4. If so, of what nature, by whom were they laid and was an investigation held?

Hon. Mr. CARDIN:

1. Yes.

2. For conduct unbecoming an officer of Customs and Excise in allowing auto trucks owned by him to be used in the transportation of beer for export to the United States and also for engaging in business and thus violating the provisions of the Consolidated Revenue and Audit Act.

3. Representations were made to the department.

4. Investigation was made by Mr. G. Graham, assistant inspector of Customs and Excise.

CANADIAN NATIONAL RAILWAYS—TORONTO BUILDING

*Sir HENRY DRAYTON:

1. For what price has the property on the north west corner of King and Yonge streets, Toronto, been sold?

2. What commission, if any, in respect of such sale is payable and to whom?

3 Who are the purchasers, and if a company, who are the promoters?

4. What annual rent has the Canadian National Railway System agreed to pay for space in the building to be erected on said property and for how long a period?

5. What annual rent has the government agreed to pay for space in said building and for how long a period?

6. How many floors in all will be rented by the government and the Canadian National Railways?

Hon. Mr. GRAHAM: Mr. Speaker, the business to which this series of questions refers is still a matter of negotiation. While the negotiations have, I believe, proceeded a considerable length, no recommendation has yet come from the executive of the Canadian National board to the Minister of Railways to be submitted to the government respecting the sale of this property.

Sir HENRY DRAYTON: My information was, Mr. Speaker, that the negotiations had reached the stage of a deposit having been paid.

Mr. GRAHAM: That may be so.

Mr. DEPUTY SPEAKER: Answered.

UNOPPOSED MOTIONS FOR PAPERS

SCRIBE HOTEL

Sir HENRY DRAYTON:

For a copy of the lease made by the holding company of the Scribe Hotel property in Paris purchased by the Canadian National Railway System, and any other papers and documents in any way relating to the said lease of the said property or the title thereof.

SOLDIERS' CIVIL RE-ESTABLISHMENT—EDMONTON

Mr. KELLNER:

For a return showing the cost to the government of all leather goods used by the Medical branch of the Soldiers' Civil Re-establishment in Edmonton, Alberta.

MATANE WHARF

Mr. HANSON:

For a copy of all correspondence, contracts and other documents exchanged between the Department of Public Works and others, in connection with the construction of a public wharf at Matane, in the County of Matane, Quebec.

ST. LEONARD, CUSTOMS EXAMINER

Mr. DOUCET:

For a copy of all correspondence exchanged between the Department of Customs and Excise, the Civil Service Commission and others, relating to the appointment of a customs and excise examiner at St. Leonard in the electoral district of Restigouche-Madawaska, New Brunswick.

SADDLE LAKE INDIAN RESERVE

Mr. KELLNER:

For a copy of the contract covering the transfer of a portion of the Saddle Lake Indian Reserve to the Soldier Settlement Board.

Hon. Mr. ROBB: Mr. Speaker, I offer no objection to the resolution, but I would say to my hon. friend (Mr. Kellner) that I have a memorandum from the chairman of the Soldier Settlement Board intimating that there is no such contract.

BUSINESS OF THE HOUSE

KING'S BIRTHDAY ADJOURNMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That when this House adjourns on Tuesday, June 2nd next, it stand adjourned until Thursday, June 4th.

Motion agreed to.

INCOME WAR TAX ACT, 1917, AMENDMENT

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee at the next sitting to consider the following prposed resolution:

Resolved, that it is expedient to repeal section 25 of The Income War Tax Act, 1917, as enacted by chapter 46 of the statutes of 1924, constituting a lien upon the assets of the taxpayer for unpaid taxes assessed under the said act.

Motion agreed to.

HOME BANK

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee at the next sitting to consider the following proposed resolution:

Resolved, that it is expedient to provide for the payment out of the consolidated revenue fund of the sum of five million four hundred and fifty thousand dollars for the purpose of paying to the several persons who were creditors of The Home Bank of Canada for money on deposit or in current account such proportionate part of the amounts for which they are determined to be creditors in the liquidation proceedings as the said sum will provide, and to authorize the Governor in

Council to raise by way of loan such sum as may be required for the purpose of making the payment aforesaid.

He said: His Excellency the Governor General, having been made acquainted with the subject matter of this resolution, recommends it to the favourable consideration of the House.

Motion agreed to.

EXPORT OF POWER

On the Orders of the Day:

Hon. Sir HENRY DRAYTON (West York): I would like to ask the government whether they have yet passed an order in council relieving the municipalities from the taxes imposed on them by an order in council in connection with a term contract for the export of 60,000 horse-power?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Not as yet.

EMPLOYMENT OF IMMIGRANTS

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): I wish to direct a question to the Minister of Immigration arising out of a telegram which I received from the Trades and Labour Council of Calgary, as follows:

Calgary Trades and Labour Council informed that forty men who were sent by the Calgary Labour bureau to Raymond sugar beet fields found that there were no jobs for them as the C.P.R. had placed immigrants recently arrived from Europe for this work. Please investigate.

I should like to ask the Minister of Immigration if the information contained in this telegram is correct, and if so, whether he thinks it is a wise policy to follow?

Mr. DEPUTY SPEAKER: I would draw the attention of the hon. member to the fact that that is properly a question for the order paper, not to be put on the orders of the day.

Hon. J. A. ROBB (Minister of Immigration): I do not find any fault with my hon. friend for asking that question. I have received a similar wire from Mr. J. E. Young, of Calgary. I find upon investigation over the long-distance telephone that the Canadian Pacific Railway Company were inquiring as to whether the Raymond district beet growing interests had endeavoured to secure the help locally or in such centres as Calgary. I am informed that this is a placement of Hungarian farm labourers, who are accustomed to that work. In addition to this, the Deputy Minister of Immigration this morning wired as follows to the Division Commissioner of Immigration at Winnipeg:

[Mr. Robb.]

Wire received from J. E. Young, Calgary Trades and Labour Council, advising that forty men despatched by Calgary Labour Bureau to Raymond sugar beet fields found no jobs owing to placement C.P.R. immigrants recently arrived. Please investigate and furnish full facts, covering type of immigrants placed in Raymond district also showing whether beet interests have made endeavour to secure help required either locally or in such centres as Calgary. Wire reply.

I shall be glad to advise my hon. friend when the reply is received.

ALBERTA COAL

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): I have a telegram, which I did not bring down with me, but which is to the effect that the Minister of the Interior (Mr. Stewart) has made no arrangements as yet for the transport of Alberta coal eastward under the provisions of a certain vote. Would the minister say what is the cause of delay as to that?

Hon. CHARLES STEWART (Minister of the Interior): The matter was under negotiation when our estimates were being prepared. It is my intention to bring in a supplementary estimate covering our proportionate share of the cost of this experiment.

DEBT AND EXPENDITURE

STATEMENT BY THE MINISTER OF THE INTERIOR

On the Orders of the Day:

Hon. CHARLES STEWART (Minister of the Interior): I wish to refer to a statement made by the right hon. leader of the opposition (Mr. Meighen) on Friday last, page 3702 of Hansard, in which he brought me to task for a statement purporting to have been made by me and recorded in the Edmonton Bulletin of the 23rd of October, 1923, with reference to the public debt of Canada. When this statement was brought to my notice on Saturday I had the records looked up and my secretary furnished me with the statement from which I quoted on that occasion, and in fairness to myself and to my right hon. friend as well I want to make a correction. The Edmonton Bulletin evidently stated that there was an increase in the public debt of 46 per cent.

Mr. MEIGHEN: Before the war.

Mr. STEWART (Argenteuil): Yes, before the outbreak of the war. The quotation which I was using was that from 1911 to 1914 the controllable expenditure jumped from $65,000,000 in 1914 to $102,000,000, or an increase of 46 per cent. Quite clearly I could not have said that it was an increase in the public

debt, although I may have been misquoted. I may add that I entirely missed the statement in this matter which my right hon. friend said he had previously made and to which he said I had offered no reply.

CECIL R. SMITH

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): On May 6 I asked in the House, on the orders of the day, the following question:

Since the Supreme Court has ruled in the case of Cecil R. Smith, admitted bootlegger, that an income tax cannot be levied on the gains derived from illicit business or from the commission of crime; and since this judgment thereby definitely classes bootlegging as a crime, what action does the government propose to take to recover the illegal gains and punish the criminal?

The Minister of Justice (Mr. Lapointe) answered:

The matter has not yet been considered; I understand that judgment was delivered yesterday.

May I ask whether a decision has yet been given with regard to the course to be pursued in this connection?

Hon. ERNEST LAPOINTE (Minister of Justice): The question of the advisability of an appeal from that judgment to the Privy Council is under consideration. The question of taxing crime or the product of crime is a rather difficult one. There is another difficulty arising from the fact that most of that revenue would be derived from violations of provincial laws, and it is a question whether this Dominion should take the money derived from that source.

Sir HENRY DRAYTON: If my hon. friend will allow me, I would suggest to him that a declaratory act brought in at the present time would seem to be very, very much in place.

Mr. LAPOINTE: The whole question is under consideration.

CIVIL SERVICE ACT, 1918,

EMPLOYEES—REVENUE AND CITY POST OFFICES

Hon. CHARLES MURPHY (Postmaster General) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to amend the Civil Service Act, 1918, as respects certain post office employees, and to provide, (1) that when it has been determined by the Governor in Council that any post office, the employees of which do not come under the Civil Service Act, is to be brought under the said act, any person then employed in such office who has had at least two years postal experience, one of which was in the office in question, and who was, at the commencement of his service, within the limits of age prescribed by the Civil Service Commission, and who satisfies the Civil Service Commission that he possesses the necessary qualifications, shall be considered eligible for appointment to any position in such office without competitive examination, provided, however, that any person employed in any such post office on the date of the coming into force of this provision shall be eligible for appointment, even though he was not at the commencement of his employment within the limits of age prescribed by the Civil Service Commission;

(2) That upon an appointment being made, the person appointed shall receive the same salary as he was receiving immediately prior to such appointment, except that if the salary prior to appointment is less than the minimum rate of the position to which he is appointed, his salary shall be increased to such minimum rate, and if the salary prior to appointment exceeds the salary of which he would have been in receipt had he entered the service at the minimum rate of the class and had been allowed a number of annual increases equivalent to the number of years of his service, the salary to be paid to him upon appointment shall be fixed by the Civil Service Commission.

Sir HENRY DRAYTON: Would my hon. friend tell us something about this?

Mr. MURPHY: Speaking generally, there are two classes of post offices, revenue post offices and city post offices. In revenue post offices the postmaster is paid out of the revenue, and he engages and pays his staff out of the revenue. In the city post offices, as they are called, the postmaster and his staff are paid out of the parliamentary appropriations. In the Civil Service Act which was in force up to 1918 there was a section providing for changing a revenue post office into a city post office, but for some reason which has not been explained to me, probably due to an oversight in the consolidation of the act in that year, this particular section was dropped. The resolution now before the committee and the bill to be founded upon it merely propose to re-introduce the section which was in the act up to 1918.

Mr. HANSON: What is the policy of the department with respect to bringing these so-called revenue offices into the category of city post offices? We have a number of large towns in the province of New Brunswick, the town of St. Stephen, for instance, producing a large revenue and with a large number of clerks, but it is not under the Civil Service Commission. Personally I think it ought to be, because it is a very important post office. What is the policy of the department with respect to such offices as I have indicated?

Mr. MURPHY: The question which the hon. member has addressed to me is one that I myself addressed to the officials, and the answer given was that there was a rule previously in existence under which when the revenue of a post office had reached approxi-

mately $35,000 per year, and the population of the town had reached approximately, I think it is 10,000—but I would not be sure as to that—the procedure was set in motion for changing a revenue office into a city post office. I may add for the information of my hon. friend and of the committee, these are details which will not be fixed by the department and the Civil Service Commission.

Mr. IRVINE: We cannot hear very clearly back here, Mr. Chairman, what the discussion is about, but I thought I heard the minister say that there were two kinds of post offices. I was just thinking there must be three kinds, because we have neither of these kinds in Calgary, and I was wondering if this resolution was to provide for building a post office in Calgary; I could not hear what it was about.

Mr. BOYS: Is there any intention of making this applicable to towns of less than 10,000 population and where the revenue is less than $35,000?

Mr. MURPHY: Not at present.

Mr. HANSON: The regulation the minister mentions cannot be uniformly in force because the city of Fredericton has less than 10,000 population, while the revenue is over $35,000. I think it is desirable and would be in the interest of the public service that as many as possible of the post offices in these large towns, if not exactly city post offices, should be brought under the regulations as to city post offices. And the reason I say that is this. The postmaster pays himself out of the revenue he receives, and employs and pays his own help. All the assistants in these town post offices work long hours and very strenuously, and I do not think they get the compensation that employees of a similar class get in the city post offices, and thereby an injustice is done to them. As a matter of fact it is a question of bargaining between the postmaster and his help. He endeavours to get the work done at as cheap a rate as he possibly can, and pockets the balance.

Mr. MURPHY: This amendment will overcome the very difficulty that my hon. friend speaks of.

Mr. W. F. CARROLL (Cape Breton South and Richmond): I agree with the hon. member for York-Sunbury (Mr. Hanson) that the minister should do something to place the post offices of towns of smaller population on a city basis for the reasons set forth by the hon. gentleman. We have several towns in the province of Nova Scotia—there are some in my own county—with, say, a population of 7,000 people. The postmaster in these towns, of course, gets a nice revenue—I am not finding any fault with the postmaster on that account—but the trouble is he does not give the service because he does not hire the assistance that is required in the post office. I might cite the case of the town of Glace Bay, with a population of 18,000 and, I think, a revenue of something in the vicinity of fifty or sixty thousand dollars. I congratulate the minister on the fact that last year he appropriated $20,000 for the Glace Bay post office; also, I think, for one at Welland, and for one in British Columbia. I think the department is working along the right lines in endeavouring to give us a better service even if the towns do not contain a population of 10,000 or 7,000 provided they have a revenue of, say, $20,000. I think that in moving along these lines the people are likely to get a better service.

Resolution reported, read the second time and concurred in. Mr. Murphy thereupon moved for leave to introduce Bill No. 168, to amend the Civil Service Act, 1918, respecting certain post office employees.

Motion agreed to and bill read the first time.

Mr. SPEAKER: When shall the said bill be read a second time? Now?

Sir HENRY DRAYTON: Is the bill distributed? I have not seen it.

Mr. MURPHY: Next sitting of the House.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH TO ST. REMI D'AMHERST

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved that the House go into committee to consider the proposed resolution:

Resolved, that it is expedient to amend the act respecting the construction of a Canadian National Railway Line from the end of the China Clay Branch to St. Remi d'Amsherst in the Province of Quebec, chapter fourteen of the statutes of 1924, and to provide that the compensation to be paid by the Company in respect of the acquisition of an unencumbered title to the right of way and all prior construction thereon of the River Rouge Railway Company or the Rouge River Railway Company between China Clay and St. Remi d'Amherst, be determined by the Exchequer Court of Canada and shall be based on the value to the company of such right of way and prior construction but shall not in any case exceed fourteen thousand dollars.

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

Mr. GRAHAM: This is not a new line; a bill for its construction was passed last year. In these approximately two miles of railway

to be constructed there is a right of way and some construction that had been procured and built by what was known as the River Rouge Railway Company. In the bill passed by the House of Commons last year there was no restriction as to the amount that might be paid for the right of way and the construction. The upper house amended the bill by placing a maximum amount to be paid for this right of way and the work constructed thereon at $5,000. In endeavouring to proceed with the construction the company found that they could not secure the right of way and the construction thereon for the sum of $5,000 as it represented a far greater value than that amount. This year they asked for an amendment so that they could proceed with the work, the amount to be paid for the right of way and the construction thereon to be determined by the Exchequer court but in any event not to exceed $14,000. I may say that that amount was inserted because the engineers of the road made a report that that is approximately the value of the property.

Sir HENRY DRAYTON: Will my hon friend tell me if this is the same line where we have this situation—that a very small bit of construction has been done and a claim has been made for a large amount of ground?

Mr. GRAHAM: Yes.

Sir HENRY DRAYTON: As a result of the construction. I suppose this is with a view of purchasing the amount of construction I was referring to. How does the matter stand, having regard to the land situation? Do we get the land as we were anticipating last year?

Mr. GRAHAM: That is a matter of the future, I imagine. The difficulty that arose last year was that it was feared that the River Rouge company by the construction of these two miles of line, in addition to the line that had been constructed by the company, might secure the land subsidy from the Quebec government for the entire amount, because, as I understand it, the amount is not payable until the whole line is constructed. That objection has been removed by the Quebec government undertaking that the land grant would not be transferred to the River Rouge company.

Sir HENRY DRAYTON: I was just wondering, though—I am speaking only for the purpose of getting information—what the situation was. My recollection was that the case was covered by an act. I think if the company have any rights, grossly technical and unfair though they might be, those rights would rest upon an act. Now, an act cannot very well be set aside by an undertaking of the government unless the government implement that undertaking by amending their act. I think that when the matter was previously before this House, we had the undertaking of my hon. friend that the work would not go on until he saw to it that either we got the land in question or that nobody else should get it. I was in great hopes we would get that land. It is a branch which is being built entirely in the interests of the neighbourhood; and the government at the time thought it was so much to the advantage of the neighbourhood that that branch should be built that they made a very generous provision in land acreage for the construction of the branch.

Mr. GRAHAM: The whole line.

Sir HENRY DRAYTON: For the ten miles?

Mr. GRAHAM: This is only two, this piece.

Sir HENRY DRAYTON: This is only two miles of it. The situation, then, was that the province of Quebec, being exceedingly anxious to have this line built, threw it open for construction, and the River Rouge company got on the ground first. They did not get very far. They built very little; I believe there has practically been no actual construction except enough to keep the thing alive in a stretch of not more than two miles, and I do not think all the work was done even in the two miles; it stopped there. The old Canadian Northern proceeded under the assumption that if they built they would get the land grant and they constructed, I think, about eight miles. I am speaking from an old memory and my hon. friend has the paper before him. Then the River Rouge Railway company put forward a claim as of right. They said, "You are building this line, but we get the subsidy," and they insisted upon getting the subsidy because the railway, just as soon as it was built, would be part of their line. They started the construction and they claimed they should get the whole of it. In order to prevent that being done the then executive of the Canadian Northern, as I recollect it, put some old rolling stock at the end of the line in such a way that it was impossible for them to make connection with the small construction which they had on the other side.

I do not know whether those facts are exactly correct, but, although my recollection

is an old one, it is pretty clear on that subject. The claim impressed itself upon me at the time as being an outrageous one, and for that reason I recollect it. I submit, in connection with that line, that the government ought to get the land or the subsidy. If they paid for these other two miles they should get it without any doubt. I do not know why we should go on this two-mile stretch, unless we got the money or the land. I am confident we have gained nothing. The construction there would be entirely useless from the standpoint of the Canadian National Railways. The only consideration in using the property would be the land itself as land, and I would not think the right of way on land in that part of the country would be worth much. Be that as it may, if we actually paid these people that were behind this wonderful venture, I should have thought there was no doubt that we were entitled to the land grant, and I would ask my hon. friend to tell us how far we have got along in our negotiations in regard to getting that land for the Canadian National.

Mr. FORTIER: Is my hon. friend aware that the subsidy from the province of Quebec has lapsed, and that the money to be voted is to pay for the land that the company acquired originally, and also to pay for the improvements already made by that company on those two miles between China Clay and St. Rémi d'Amherst?

Sir HENRY DRAYTON: The hon. gentleman who has asked me the question knows more about the immediate facts than I do, as I am speaking from an old recollection. I do not think there was any cash subsidy involved at all, and I do not know that there is any limitation on the land grant; but even if there is a limitation, it does seem to me, as it is a matter of policy with the Quebec government that the construction of this line was worth so many acres of land, that they could afford to give it to this little Rouge River concern, ten miles in all; it is worth infinitely more to have this place
4 p.m. opened up and helped by the Canadian National, and the same policy ought to apply. In other words, is there any reason why the railway of the people cannot be treated just the same way. as the railway of an adventurer? If it is a good thing to give to private interests large blocks of land to accommodate construction —and we know how generally, in the first instance, building of lines generally meets with failure so far as an immediate return is concerned—why is it not a good thing to continue that grant of land in case of the general public?

Mr. GRAHAM: This is merely an amendment to a bill that is already law, and refers definitely to one particular matter that I outlined a moment ago. There is no danger of the River Rouge company getting this subsidy. I am not prepared to state in what position the subsidy is as far as the Canadian National is concerned, but I can assure my hon. friend that if there is any possibility of getting the subsidy the Canadian National will get it. This bill is merely to allow the Canadian National to refer the value of the work done, including the construction of the two miles, to the Exchequer court, and to name the amount to be paid. The restriction is imposed that it must not be more than $14,000, because that is the outside estimate of its value by the Canadian National.

Mr. FORTIER: I hope this amendment will not have the effect of preventing the immediate construction of that branch line. Last session parliament passed a measure for this construction, and the amendment passed by the Senate caused a delay in the work; but I repeat, the construction of this branch line is most important for the people in that district. The section between St. Eustache and St. Jerome has been completed and has been opened for traffic, to the great satisfaction of the people of the counties of Two Mountains, Terrebonne and Labelle. In order to improve the branch lines the construction of these two miles is absolutely necessary. My people are desirous of having this branch line completed as soon as possible, and we had hoped that it would have been constructed during last year. I hope that it will be possible to commence the work at once. I trust that the reference of the dispute concerning the value of the work which has been done to the Exchequer Court of Canada will not result in further delay, and that the minister will give me the assurance that this construction will not be delayed on account of the amendment now brought down.

The legislation which is now submitted has been rendered necessary by the amendment made by the Senate to the bill passed by the House of Commons last session. It is simply a matter of justice, I think, that all the improvements already made by the River Rouge company should be paid for. But the Senate, by its amendment, permitted the government to pay only $5,000 for these improvements, and it has been estimated by experts that the value of these improvements will amount to a larger sum than $14,000; at all events the sum of $14,000 would be accept-

able to the River Rouge Railway Company. I am only representing the electors of the county of Labelle, who wish to see this branch line built as soon as possible. I am sure the committee will understand that in this desire they do not in any way want to injure the interest of other people. If it is deemed necessary to pay any larger sum than the $5,000 authorized I think we should adopt the amendment and pay the actual value of the improvements made by this railway. I may add the assurance from the minister (Mr. Graham) that the construction of this branch line will not be delayed any longer but that it will be begun at once.

Mr. McTAGGART: How long has the Rouge River Railway Company held the charter, and how much work has it done?

Mr. GRAHAM: It has had the charter for a considerable time but I am not familiar with the details. The company did do a great deal of grading and it purchased the right of way and laid down a number of ties and other material, on the ground.

Sir HENRY DRAYTON: As for the ties, they have long since resolved into their original component parts; I am perfectly safe in that statement. I suppose the grading is still there, although a good deal of it must have been washed away. I do not know that there can be any title there at the present time; I doubt whether there is, unless renewals have been granted. The only thing I should be afraid of in connection with this undertaking is the possibility of re-creating a right in these people; we should not recognize them as owners until we are satisfied that they are such. I think the minister will find that the money has really all gone; the right of way to-day is valueless so far as the grading is concerned.

Mr. GRAHAM: Parliament has authorized the construction of this line, and if the company cannot get the right of way, with the grading that has already been done, which the engineers say is worth far more than the amount now named, they will have to secure a new right of way which will involve doing again what work has been accomplished. The Exchequer court can examine all the facts, and I think the company should be allowed to make use of the material that is already there. Certainly the legal department of the Canadian National Railways will see to it, as stated in this bill, that they have an unimpaired title to the property.

Mr. FORTIER: The line has been surveyed and the roadbed already exists. I know something about this matter, because the farmers of St. Remi d'Amherst who worked on the road have not yet been paid.

Sir HENRY DRAYTON: That is worse and worse.

Mr. FORTIER: It is only a matter of justice that they should be paid and that the work should be gone on with.

Mr. McTAGGART: Is this company a going concern?

Mr. GRAHAM: I think they have gone.

Resolution reported, read the second time and concurred in. Mr. Graham thereupon moved for leave to introduce Bill No. 169, respecting the construction of a Canadian National railway line from the end of the China Clay branch to St. Remi d'Amherst in the province of Quebec.

Motion agreed to and bill read the first time.

PROPOSED LOAN OF $164,000,000

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to introduce a measure to provide authority for the raising, by way of loan, under the provisions of the Consolidated Revenue and Audit Act, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money as may be required, but not to exceed in the whole the sum of one hundred and sixty-four million dollars, for paying or redeeming or otherwise retiring the whole or any portion of loans or obligations of Canada and for public works and general purposes, and to provide that the principal so raised by way of loan and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

He said: This resolution is to provide for the maturities of this year which are as follows:

July 1	$ 60,800 00
August 12	23,333,333 33
September 15	90,000,000 00
November 15	8,000,000 00
December 1	42,014,500 00
	$164,408,633 33

Sir HENRY DRAYTON: It is entirely refunding?

Mr. ROBB: Yes.

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

Sir HENRY DRAYTON: Will my hon. friend give the number of loans to be paid off with their rates of interest?

Mr. ROBB: I am glad my hon. friend has asked that question, because last year in our refunding we made a considerable saving of interest, but I fear we will not be able to repeat it this year for the rates of interest on the maturities are already fairly low. For instance, the present rate on the $60,800 is 3½ per cent; on the treasury bills due in London, England, amounting to $24,333,333.33 it is 4½ per cent; the $90,000,000 due in New York is at 4 per cent; the $8,000,000 due in Canada is at 4 per cent; and the $42,000,000 odd, also due in Canada, is at 5 per cent.

Mr. COOTE: Did not the minister tell us a year ago that the refunding bill passed then would cover all issues up to 1927?

Mr. ROBB: I think my hon. friend is correct, had I made long-term renewals, but the market condition was such that it was more profitable to make short term renewals. So we must go into the market again this year to provide for the renewals made last year. Taking the short-term money last year—and it was much cheaper than the long-term—we were able to effect an annual saving on interest account of $2,643,264.92.

Mr. COOTE: What is the total of the loans falling due this year that are to be renewed?

Mr. ROBB: The total is $164,408,633.33.

Mr. MANION: How do the long-term rates compare this year with those of last year?

Mr. ROBB: To show the committee how closely men who have money to invest watch the market—just as closely as those who have wheat or cattle to sell—I may say that one hour after this resolution was mentioned in the House last week—when owing to the absence of the ex-Minister of Finance (Sir Henry Drayton) it was not proceeded with—I had two telephone calls from New York with respect to the purchase of the loan. I explained the situation and asked them how the money market was. They replied that money for short-date periods was fairly cheap, but that there was not now the same spread between the rates for short- and long-term money as there was last year. I am sorry I cannot give my hon. friend the exact spread; it varies from day to day.

Mr. MANION: Could the minister give a comparison of the long-term rates this year with those of last year?

Mr. ROBB: No, I have not got them.

Mr. COOTE: Will this $164,000,000 cover all the new borrowings of the government this year as well as the renewals?

[Sir Henry Drayton.]

Mr. ROBB: The government have so managed the financing that they will not require any new money for government business proper. Indeed, before the end of the session I think I shall be able to advise the House that the balance is better than that announced in the budget, or even than that mentioned by the Prime Minister in his speech on the budget.

Mr. COOTE: I understood the bonds for the Quebec Harbour Commission would have to be floated.

Mr. ROBB: The Quebec Harbour Commission will probably look after their own bonds, just as the Montreal Harbour Commission sometimes look after theirs. Of course, anything the government guarantees is not initialed until the minister is satisfied that the security has been sold at a proper rate.

Sir HENRY DRAYTON: Mr. Chairman, the hon. gentleman (Mr. Coote) need not have any fear of the government's power of issuing money. The government have lots of statutory powers for this purpose; for example, they have the old statutory powers in connection with the railway system. While last year we had a heavy increase in the Canadian National debt of $118,000,000, admitted by the government, there is nothing like that shown in connection with actual loans either made or guaranteed by them. The reason, of course, is perfectly obvious—there are certain specific statutes which have to do with the raising of money for certain specific objects. Take as an illustration the money to be raised for the Quebec harbour board. As the Acting Minister of Finance (Mr. Robb) says, he is not bothering about power to issue those debentures; if the resolution carries the money will be raised all right, but not under this bill nor under any general bill. In connection with our railway situation we are going on raising money under the special powers granted the Canadian National Railways to issue their obligations directly. So we are going on piling up our obligations, but because we have not got them put in the one account, as the question by the hon. member (Mr. Coote) would indicate, they are not looked upon as having anything to do with the debt of the country.

I think, Mr. Chairman, the hon. minister (Mr. Robb) is doing all he can do in connection with this bill. I might point out to the right hon. Prime Minister (Mr. Mackenzie King) the position of a minister of finance. On other occasions he has been kind

enough to point to the rates of interest that have been paid on our obligations from time to time, and I want to assure him that when the Acting Minister of Finance to-day says he cannot make economies in the present rates of interest as he could last year, that is not his fault. The price of money is no more under his control than is the price of wheat under the control of his government. I only point it out again because the right hon. gentleman has more recently voiced his criticism of those figures, but this absolute apparent truth has been pointed out time and again in this House.

Mr. GARLAND (Bow River): The hon. gentleman stated a moment ago that the price of money was not under the control of the Minister of Finance, and I agree with him. But would he inform the House under whose control it is?

Sir HENRY DRAYTON: My hon. friend there is getting into a very wide field.

Mr. ROBB: Under whose control is the price of wheat?

Sir HENRY DRAYTON: I think it is a field that the hon. member for Brome (Mr. McMaster) likes to travel in, for he is absolutely free and untrammelled in that tremendous area of "supply and demand" which he likes to tell us about so often.

Mr. GARLAND (Bow River): Mr. Chairman, the hon. member is not fair. I am not asking him to make a joke out of what is a very serious question. I am intensely anxious to find out just where the control of the price of money lies. I have been trying to find out myself and if the ex-Minister of Finance can help me, I shall be very grateful to him.

Sir HENRY DRAYTON: My hon. friend is right. It is a serious question, and I was more serious than joking in my answer. Some people think we have what might be called a unified money control; that we have a condition in connection with finance very much akin to that which prevails under any state monopoly. But I think they are wrong, because we still have very important financial centres which are in direct active competition with each other. We still have New York and the interests represented by it, and even in New York itself there is the fiercest kind of competition between different financial institutions and monied interests for investments. Hon. members who have not been down there and had some experience in connection with loans and investments would be surprised at the number of interests, not curb brokers or anything like that, who are in a position to place very large loans, and the way in which by careful trading one can take off one-eighth, one-quarter, one-half or even three-quarters, of one per cent of cost. The Minister of Finance has to make the best deal he can, having regard to the conditions of the market at the time. There is only one basis of fair criticism—and I do not mean criticism which is for political purposes; I do not mean such criticism as the Prime Minister makes when he compares a war rate of interest on the one hand with the rate of interest last year when money was a drug on the market—

Mr. MACKENZIE KING: Does my hon. friend dispute the accuracy of the facts I gave the committee?

Sir HENRY DRAYTON: I absolutely dispute the inference my right hon. friend seeks to draw from the statement. I dispute absolutely every deduction he sought to make from it.

Mr. MACKENZIE KING: Not the facts.

Sir HENRY DRAYTON: Everybody knows that it is not fair to make a comparison between high rates of interest during the war period and rates of interest prevailing when there is no demand for money. That kind of argument ought to be beneath my right hon. friend.

Mr. MACKENZIE KING: Since my hon. friend says that interest rates were higher immediately after the war, why did he make his contracts for such long periods? Why did he run them for thirty years instead of five or ten?

Sir HENRY DRAYTON: My hon. friend has quite enough renewals, I imagine, to look after; they are coming in with more or less regularity. His remark just now has just about as much point as his other arguments. No; the only fair thing to do is to compare the results of loans made in a given year with others made in the same year.

Mr. MACKENZIE KING: Can my hon. friend give us any parallel case where loans at this high rate, seven per cent, were taken for thirty years?

Sir HENRY DRAYTON: My right hon. friend will get all he wants by the time I am finished. Let me come back to the main point; I am not going to be put off by interruptions. The fair thing to do is to make the comparison between current loans, not between loans made in different years. It is

just as unfair to compare loans made in one year with those made in another as it would be to say that this government was responsible for the great drop in the price of wheat two years ago. Now, my right hon. friend says something about dates of issues. I would like him to compare our issues with the British issues, on any basis he likes. It has to be remembered that when conditions are very bad you have to make longer-term loans if you are going to do business. My right hon. friend's criticism would apply to the financing of Great Britain herself—and she is supposed to understand the market pretty well. The Minister of Finance understands something about this business; he has not the great advantage of the Prime Minister—he understands something about it. When this question was up in the House two years ago I threw out the challenge that as respects these loans which have since been discussed we got our money in the market cheaper and upon more favourable terms than any other country did, and that our credit stood higher. That challenge was not and could not have been taken up. At that time we were talking about the loan which was put on by my right hon. friend the Minister of Finance (Mr. Fielding), his first large New York loan, and I applied to that the same principle that I am willing to have applied in connection with any of my own activities as Minister of Finance. I showed at that time that, while we were getting money at a lower rate than during the war, we were paying more than was being paid for other issues on the New York market that very week, even that very day. I showed this from the press reports. And nothing further was said, nothing further was done, until the Prime Minister makes the wonderful discovery that there is a difference between the rate of interest during the war and that of other years. But, Mr. Chairman, the Acting Minister of Finance will have to take just exactly what this market will give him. He says he will not be able to show the same economies that he made before in connection with the other issues. Honestly, I do not think he will, and I do not blame him because he will not be able to.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 170, to authize the raising, by way of loan, of certain sums of money for the public service.

Motion agreed to and bill read the first time.

[Sir Henry Drayton.]

DOMINION ELECTIONS ACT AMENDMENT

Hon. A. B. COPP (Secretary of State) moved the second reading of Bill No. 148, to amend the Dominion Elections Act.

Motion agreed to, bill read the second time and referred to the Select Standing Committee on Privileges and Elections.

SUPREME COURT ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 16, to amend the Supreme Court Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Dates of sessions of Supreme Court.

Sir HENRY DRAYTON: What is the idea?

Mr. LAPOINTE: Under the law the Supreme court sits for its first session on the first Tuesday in February, the second on the first Tuesday in May, and the third on the second Tuesday in October, of each year. This change was made a few years ago, and the members of the court think the sessions should begin on the first Tuesday in October as well as the first Tuesday in February and May.

Section agreed to.

Mr. LAPOINTE: I beg to move to add the following as sections 2 and 3.

2. Section thirty-six of the said act, as enacted by chapter thirty-two of the statutes of 1920, is amended by striking out paragraph (b) thereof, and substituting therefor the following:

"(b) a judgment granting a motion for a non-suit or directing a new trial."

3. Section forty-one of the said act, as enacted by chapter thirty-two of the statutes of 1920, is amended by striking out the last four lines of the section, and substituting the following:

"If special leave to appeal has been refused by the highest court of final resort in the province the Supreme Court may nevertheless grant such leave during the period fixed by section sixty-nine or within thirty days thereafter, or within such further extended period as the court or a judge may upon cause shown in the particular case, either before or after the expiry of the said thirty days, fix or allow."

There are three amendments which are suggested by the judges of the Supreme court themselves and accepted by the department and myself. I think it is better for me first to refer to section 36. The new section 36 of the act was enacted in 1920, and it gives the right of appeal to the Supreme court from any judgment of the highest court of final resort in any province of Canada where such judgment is (a) a final judgment, or (b) a

judgment upon a motion for a non-suit or directing a new trial. It is proposed to strike out the word "upon" in (b) and substitute therefor the word "granting", because the judges find that a judgment which does not grant the motion for non-suit is not a final judgment by any means. That was overlooked two years ago when the words "upon a new trial" were changed to "directing a new trial." They feel that the words "upon a motion for a non-suit" should be changed into "a judgment granting a motion for a non-suit," and I think that is perfectly right.

Mr. HANSON: I have not seen the amendment, but its effect, as I understand it, is that upon a motion refusing a non-suit there will be no appeal.

Mr. LAPOINTE: Yes, because it is not a final judgment.

Mr. HANSON: But that upon a motion granting a non-suit there will be an appeal, as you have finality.

Mr. LAPOINTE: Yes.

Mr. MARTELL: Does that seem quite fair, that upon a motion granting a non-suit there shall be an appeal, but that upon a motion refusing a non-suit there shall be no appeal? It seems to me there is a great difference being made between the two parties, and I do not see the equity in this distinction.

Mr. BAXTER: I think it is in the interest of suitors that an appeal should be possible, but they should be limited to such cases as are absolutely necessary. I think it is wise that there should be a final determination of a case in the provincial courts before there is an appeal. I believe all members of the profession will join with me in saying that the litigant should not be subjected to repeated and vexatious appeals during different stages of the case, but that a finality ought to be reached first and an appeal entered afterwards. If the motion for non-suit is refused then the case comes to some determination, probably in favour of the other party, and an opportunity for appeal is not taken away; but it is taken away at what I might call a merely interlocutory stage. Therefore, I rather think the amendment is wise.

Section agreed to.

On section 3:

Sir HENRY DRAYTON: What is the change in the law there?

Mr. LAPOINTE: Under section 39 it is stated that no appeal shall lie to the Supreme court from a judgment rendered in any provincial court unless the amount in controversy in the appeal exceeds the sum of $2,000 or special leave to appeal is obtained "as hereinafter provided". That special leave to appeal is provided under section 41, and section 41 says that special appeal may be granted in any case within section 36—that is, special leave to appeal having been refused by the highest court of final resort having jurisdiction in the province in which the judicial proceeding is instituted—and then the section proceeds:

> Provided that in any case whatever where the matter in controversy on the appeal will involve—
>
> (a) the validity of an act of the Parliament of Canada or of the legislature of any province of Canada or of an ordinance or act of the council or legislative body of any territory of Canada; or,
>
> (b) any fee of office, duty, rent or revenue, or any sum of money payable to His Majesty; or,
>
> (c) the taking of any annual rent, customary or other fee, or other matters by which rights in future of the parties may be affected; or,
>
> (d) the title to real estate or some interest therein; or,
>
> (e) the validity of a patent; and,
>
> (f) in cases which originated in a court of which the judges are appointed by the Governor General and in which the amount or value of the matter in controversy in the appeal will exceed the sum of one thousand dollars.

In all these cases, if special leave to appeal has been refused by the highest court of final resort in the province, the Supreme court may nevertheless grant such leave during the period fixed by section 69, within thirty days thereafter. Section 69 fixes a period of sixty days within which to ask leave to appeal from the court of highest resort in the province. It is proposed to change the last part and substitute the following:

> If special leave to appeal has been refused by the highest court of final resort in the province, the Supreme court may nevertheless grant such leave during the period fixed by section 69, or within thirty days thereafter, or within such further extended period as the court or a judge may upon cause shown in the particular case, either before or after the expiry of the said thirty days, fix or allow.

The reason for this suggested amendment is given to me by the judges of the Supreme court as follows:

> The first amendment of the two enclosed provides for the case in which the Supreme court may not be in session between the date when special leave to appeal has been refused by the Court of Appeal of a province and the expiry of the additional thirty days within which the Supreme court is empowered to grant leave. There is no power in the court to extend any time fixed by the statute. A case occurred during the recent term in which the Court of Appeal had so long delayed dealing with the application for special leave that it was apparent that, should it be refused, there could be no recourse to the Supreme court within the time prescribed by section 41 as it now stands and a case of serious injustice might thus have arisen. The purpose of the amendment is to permit the court, or a

judge, on application and cause shown, to extend the time within which special leave may be granted.

The purpose of the second amendment is to enable an intending appellant to restrict his appeal to a particular part of the judgment appealed from so that he may not have to incur unnecessary costs. It will also enable the court, where an appeal has not been limited as it should have been, to deal satisfactorily with the extra costs occasioned by such failure to limit it.

Mr. BAXTER: I am in accord with the amendment but I have not had the opportunity of looking at the precise language. Perhaps the minister can tell me whether this amendment will apply to any appeal, or whether it only applies to the somewhat limited class of appeals where the Supreme court might act itself. If the broader interpretation is the correct one I think it is very salutary legislation. As the act stands to-day there is a certain class of cases involving a limited number of rights where, even though the highest court in the provinces refuses a right of appeal, yet the Supreme Court of Canada may grant it. There is another class lying outside of that where, if the court of last resort in the province refuses the litigant the right to appeal, the litigant's right is gone forever. If I caught the language correctly I think this amendment is intended to allow the Supreme court to act in those cases as well.

Mr. LAPOINTE: I am afraid not.

Mr. BAXTER: Well, it ought to. While I do not expect that the minister wants to revise again the whole question of appellate procedure, in my judgment the provisions for appeals to the Supreme Court of Canada stand upon an absolutely false basis—they are regulated by the number of dollars involved. That should never be the test of a man's right to appeal, the importance of the legal point at issue ought to be the determining factor; and it will be very much better if, instead of this clumsy practice that we have had for a great many years, the right to appeal was made to depend on leave given by the highest court of last resort in the province with a right, if that failed, to lay the matter before a judge of the Supreme Court of Canada who on a short statement of facts, would be able to say whether the question in litigation was or was not of sufficient importance to warrant an appeal. The amount in controversy, I think, is $2,000 now. I do not want to refer to personal experiences, but not long since in New Brunswick I had a matter that involved little more than half that amount. The Supreme Court of New Brunswick was not of my opinion with regard to the case; they did, however, grant leave to appeal. It raised a very important question. It raised a question that is yet open for decision, and one as to which no exact parallel can be found to-day in the reports. Had the Supreme Court of New Brunswick refused leave to appeal it would have had a jurisprudence for that province which, in the common law of provinces where they are absolutely bound by precedent, could not possibly have been gotten rid of until some case should arise involving precisely the same circumstances and the same amount of money. That is not right. We do not want a decision on dollars, but we do want a decision on principles; and if the amendment is not going in the direction I thought it was, I would ask the minister to kindly see that it is changed so that the Supreme Court of Canada may in any case intervene and grant leave if it thinks the lower court has erred in not permitting an appeal. An error is quite possible. Judges try to be fair, but unconsciously errors are committed. An appellant court may consist of three or five members, and if they are unanimous they may think too little of the legal point at issue, and may say, "We will not grant you leave to appeal, we are absolutely right; it is a pity to have this matter litigated further." They may, however, be absolutely wrong in the opinion of a higher court, and they have to-day the power of preventing the litigant getting to a higher court to obtain the expression of opinion of another judicial tribunal. I do not think it makes for the best system.

Mr. LAPOINTE: I do not wish to discuss the point suggested by my hon. friend, but I may say it would be much more of a radical nature than the amendment which is now proposed. This amendment does not change at all the principle, or basis or methods or jurisdiction—

Mr. BAXTER: I do not ask to do that.

Mr. LAPOINTE: —it affects only the delay. It gives to the litigant in a certain limited class of cases the right to ask leave to appeal to the Supreme court, if leave to appeal has been refused by the highest court of the province. In ordinary cases the decision of the highest court of the province refusing leave to appeal prevents the litigant going to the Supreme court; but in view of the class of cases enumerated in section 41 of the act—that is the section providing for an appeal to the Supreme court in matters con-

cerning assessment of property and so on—when the highest courts of the province refuse the leave to appeal there is jurisdiction in the Supreme court to grant that leave of appeal within a certain time. The amendment is merely to permit a court or a judge to extend the time in certain cases.

Sir HENRY DRAYTON: As I understand it, at the present time in the first instance we have a delay of sixty days.

Mr. LAPOINTE: Yes.

Sir HENRY DRAYTON: And after that there seems to be another thirty day's delay.

Mr. LAPOINTE: Not now. The thirty days is within the sixty days.

Sir HENRY DRAYTON: In the future we will have a delay of sixty days or thirty days.

Mr. LAPOINTE: Or longer.

Sir HENRY DRAYTON: Yes, if the judge orders it. I understand the order can be made before or after the time for appeal has lapsed. Does the minister think that is a good provision? I do not see anything to prevent a judge giving leave to appeal at the end of a year, which would be entirely wrong. I think what the minister wants is this. That the time for appeal can be continued so as to enable an application to be properly heard at the next regular
5 p.m. sitting of the court; or if the application has been made after the regular sitting of the court, it can be adjourned to another sitting. I speak subject to correction, because I have not had a chance of looking at anything, simply having heard the section read, but does my hon. frind think it would be wise to put through an amendment which would enable either a court or a single judge to resuscitate a case a year old and grant leave to appeal? Under the amendment as the minister read it, the time within which a judge can grant leave to appeal is not limited in the slightest.

Mr. LAPOINTE: There must be a strong case made out, and we must assume that the judge will exercise reasonable discretion.

Sir HENRY DRAYTON: What is "a reasonable discretion"? It depends on the length of this man's foot or the other man's leg.

Mr. LAPOINTE: Oh no.

Sir HENRY DRAYTON: When once we get into the matter of "reasonable discretion," what my hon. friend would think was most highly reasonable, an opponent in any case he happened to be in would think was wholly unreasonable. That is the reason why we usually have some definite provision as to time. Why have any rules whatever in connection with time for court procedure? Why not leave all the matters in the hands of the judges, trusting that they will do the reasonable thing. In such an event we should never conduct public business at all. I am perfectly in accord with my hon. friend, that no case should be left in such a position that, owing to the absence of the sittings of a court, leave could not be given; but on the other hand I am equally sure that it is not in the best interests of the court itself, or of the litigant, or of anybody else, that the whole matter should be left wide open. And I do not think the court would desire such a provision. I think the court wished to cover a case like the extreme one which my hon. friend quoted.

Mr. LAPOINTE: The amendment has been drafted by the judges of the court, and really I think my hon. friend would be right with regard to the provincial courts, but so far as the Supreme Court of Canada is concerned, I think there is no danger in giving discretion to the judges in such cases, and it would rather meet the objection of my hon. friend from St. John and Albert (Mr. Baxter)—

Sir HENRY DRAYTON: That is another point.

Mr. LAPOINTE: —that we should give a larger and greater latitude to litigants to carry their cases to appeal.

Mr. BAXTER: I cannot agree with my hon. friend from West York (Sir Henry Drayton) for this reason. I think all the common law provinces have adopted what we call the Judicature Act, and it is a provision of the judicature rule, and is acted on so habitually that it does not excite any comment that the time for doing an act may be extended, even though the time has expired before the application was made. Really no harm comes from it. I should like to illustrate the need of this just by showing the procedure in my own province. In the first place the Supreme Court Act gives the court jurisdiction to permit an appeal to the highest court of the province. In New Brunswick that highest court, which we call the Supreme court, sits five times a year. In some other provinces, I think the highest court does not sit quite so frequently. With us the judgment in the cases is delivered generally towards the very end of the session, sometimes the very last day the court sits. A litigant is in a very awkward position in regard to getting per-

mission to appeal. The permission must be obtained, I think, from the whole court, and I do not think a single judge can exercise the power in a provincial court, and with us there is great danger of getting out of court altogether. This will enable the Supreme Court of Canada to remedy just such an instance as that, but the remedy will apply only if the case falls within one of five classes; one of those relates to any constitutional point, the construction of a statute; another has reference to rent or service due to His Majesty; a third deals with titles to real estate, and the other two turn on appeals from commissions. But these cases do not cover the whole field of litigation and it will be easily possible for a litigant to be remedyless merely because of the effluxion of time, while the Supreme court under this legislation will be powerless to help him. I do not urge the minister to go the whole length of what I advocate and put appeals on an entirely different basis; I should like to see that done but I am not urging it just now; I do not ask the minister to mix this legislation with that. But I do ask him to consider adding another provision to the first part of the section, providing a power similar to the one he is giving in the second part, so that the Supreme court or a judge may intervene and permit an appeal where it has been refused by the highest court of last resort in the province concerned. I am sure that such a power would rarely be exercised, because the Supreme court quite properly does not encourage appeals. It has had an enormous mass of business, and it is most vital to the proper work of the court that the number of appeals should be kept down. But there ought always to be somebody else to whom you can go who shall decide whether you have the right to appeal or not, besides the man who has pronounced decision against you. I ask the minister to consider this suggestion carefully. I suggest further that it might not be a bad thing if bills of this kind, which cannot involve any political difference in the world, could be considered by a committee consisting practically of members of the profession in this House. That would bring every legal mind to bear on the subject and there would be no contention but only a desire to produce the most workable act possible.

Mr. MARTELL: The object of the proposed bill is to give the right to appeal within ninety days after judgment.

Mr. BAXTER: Or longer, if the judge decides to extend the time.

[Mr. Baxter.]

Mr. MARTELL: Yes, in the discretion of the judge. I can quite understand the objection taken by the hon. member that such a provision might tend to too long a delay. As the hon. member says, it might go a year or two; after such a lapse of time a litigant might go to the court and ask the judge in his discretion to grant an appeal.

Mr. BAXTER: He would probably refuse it.

Mr. MARTELL: Not if good grounds were shown. Why not give ninety days in which to appeal?—and if the court meets before the expiry of that period the application could be made. In any case however, it seems to me, a litigant should have the right to make his application at the next sitting of the Supreme court immediately following the giving of judgment. In the province of Nova Scotia a decision might be given, say, in the month of March, and the Supreme court not meeting until October, the applicant should have the right to make application.

Mr. BAXTER: After March, when does the court next convene?

Mr. MARTELL: Not until October.

Mr. BAXTER: And how do you get leave to appeal in any case within the statutory time?

Mr. MARTELL: We are practically shut out.

Mr. BAXTER: I believe the province is, under existing legislation; and this does not help it, because the present legislation applies only to a limited number of cases.

Mr. MARTELL: I think a litigant should have the right to make application at the next session of the Supreme court, even though it might be four months later. But if application can be made before the ninety days have expired I do not think there should be any right to make it afterwards, because that would only prolong litigation.

Mr. BAXTER: The amendment will extend the time only in five classes of cases and will not help the majority of litigants, because most cases fall outside of those classes. I believe there is a real danger both in Nova Scotia and New Brunswick of an appeal failing because the court may not be sitting in time to allow the application to be made. And under the law as it stands, the Supreme Court of Canada is helpless however desirous it may be to assist. I am arguing that some provision be made to enable the Supreme court to provide some remedy.

Mr. LAPOINTE: The suggestion of my hon. friend (Mr. Baxter) as to the advisability of having bills that involve legal matters submitted to a committee of the House composed of legal members is certainly a good one and I hope that such a committee will be possible in the future.

Mr. WOODSWORTH: If matters affecting legal gentlemen are to be referred to a committee composed entirely of legal members, would the same principle be carried out in regard to matters affecting farmers and labour men? Would such matters be referred to committees composed entirely of farmers and labour men respectively?

Mr. LAPOINTE: We are all labour men; my hon. friend will never get me to admit that I am not a labour man as well as himself.

Mr. WOODSWORTH: The minister would not admit that I am a legal man.

Mr. LAPOINTE: I should be glad if my hon. friend were a legal man but he seems to have queer ideas about the British North America Act.

Mr. WOODSWORTH: The minister must see the doubtful value of having all matters affecting certain phases of legal activity referred to committees on which the general public, as represented in this House, has no say.

Mr. MARTELL: I do not think that the suggestion contemplates anything of the kind. What the minister and the hon. member (Mr. Baxter) have in mind is the question of procedure in the courts, which no one but lawyers would understand.

Mr. LAPOINTE: The hon. member (Mr. Woodsworth), I am sure, would be welcome to witness the proceedings of such a committee. However, the committee is not yet organized; so far we have only a suggestion—one which is certainly worth considering. As regards the suggestion to enlarge the right of appeal, this also is something that is worthy of consideration and I have no doubt it will secure it. But the hon. member will understand that I cannot go further than I am going under this bill. As a matter of fact, we are giving more facilities by this amendment than the litigant has had before. It is true that the provision applies only to five classes of cases mentioned in section 41; but that is the law and we are improving it, though not to the extent that my hon. friend would like. I assure him that I will make it a duty not only to consider the suggestion but to discuss it with others interested in this matter, with a view to having something practical done.

Mr. BAXTER: This procedure has not been the law very long; it has been in practice only about five years.

Mr. LAPOINTE: Since 1920.

Mr. BAXTER: Yes, and we have not yet run into all the difficulties that may be encountered. The minister suggests that we shall discuss the matter in another quarter, which I presume means a consultation with the judges of the Supreme court. If they look over the remarks that are reported in Hansard on this subject I am inclined to think they will favour some greater means of attaining justice.

Section agreed to.

Mr. LAPOINTE: I move the following:

4. Section sixty-nine of the said act is amended by adding thereto the following subsection:

"(2) the appellant may appeal from the whole or any part of any judgment, or order, and at the time of bringing the appeal he shall, if he intend to limit the appeal, give notice stating that part only of such judgment or order is complained of, and shall in the notice specify such part."

Mr. BAXTER: Is not that what we have to-day? At least I know we have it provincially.

Mr. LAPOINTE: Not in the Supreme Court Act. Section sixty-nine merely provides that every appeal shall be brought within sixty days of the signing or entry or pronouncement of the judgment appealed from. The purpose of this amendment which has also been suggested by the court, is to enable an intending appellant to restrict his appeal to the particular part of the judgment appealed from, so he may not have to incur unnecessary costs. As a matter of fact, this is done very frequently now, but by consent on the part of both parties. In other words, it is to make the law conform with what has really been the practice for a long time, and so to enable the court, in disposing of costs, to deal with the extra costs occasioned by the failure of the party appellant to limit his appeal as he should have done.

Sir HENRY DRAYTON: It is some time since I have been in practice, but I thought we used to be allowed to do that. The reason for the present suggestion, I suppose, is that if the parties do not agree to print only that part of the evidence which has to do with the particular point in dispute, the court will have the right to make the necessary order.

Section agreed to.

Bill reported.

Mr. SPEAKER: When shall said bill be read a third time?

Sir HENRY DRAYTON: We had better have it printed first, Mr. Speaker.

Mr. SPEAKER: Next sitting of the House.

SUPPLY

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

Civil Government—Justice—salaries, $226,355; contingencies, including $2,000 for the Solicitor General's office, $32,500.

Sir HENRY DRAYTON: Will the minister give particulars?

Hon. ERNEST LAPOINTE: (Minister of Justice): Mr. Chairman, I have not any particulars with me. I merely want to get into committee of Supply with these estimates so that I may take them on Thursdays or Fridays. If any explanations are required I would suggest that the item be allowed to stand.

Sir HENRY DRAYTON: The minister had better move to report progress.

Item stands.

INTERIM SUPPLY

Hon. J. A. ROBB (Acting Minister of Finance): Mr. Chairman, by unanimous consent I desire to present the usual interim supply bill. We are now in the month of June, and payday comes in the next couple of weeks. I move:

That a sum not exceeding $31,409,846.82, being one-sixth of the amount of each of the several items to be voted as set forth in the Main Estimates for the fiscal year ending 31st March, 1926, as laid before the House of Commons at the present session of Parliament, be granted to His Majesty, on account for the fiscal year ending the 31st March, 1926.

Sir HENRY DRAYTON: Mr. Chairman, it is a resolution that ought to be concurred in by any official opposition which proceeds upon proper decent business instincts, and as we always do, we concur readily. We only hope that in the very near future, when my hon. friends opposite will be sitting on this side of the gangway, their habits will be improved and that they will give the same ready consent to a resolution of this kind which it has always received from us.

Mr. MARTELL: The hon. gentleman should remember that Goldsmith says, "Premature consolation is the remembrancer of sorrow."

Sir HENRY DRAYTON: I hope that in the near future my hon. friend will find ease and comfort in his poetical reflections. But, as I say, this is a resolution which ought to be passed as a matter of course, and my hon. friend the Acting Minister of Finance (Mr. Robb) is entitled to it because he is in funds now only down to the 15th of this month, and we ought to see that the business of the country runs along, even although it does not run along as well as we would like to see it.

[Mr. Speaker.]

Resolution reported, read the first and second time and concurred in.

Mr. ROBB moved that one-sixth of each of the resolutions reported from committee of Supply be now concurred in.

Sir HENRY DRAYTON: I rise to point out, Mr. Speaker, that our consent is upon the ordinary well-understood basis—the House is not bound by any single item; it can always object to it or move that it be struck out on any ground.

Mr. ROBB: That is conceded.

Motion agreed to.

WAYS AND MEANS

INTERIM SUPPLY BILL

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee of Ways and Means.

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

Mr. ROBB moved:

Resolved, that towards making good the supply granted to His Majesty on account of certain expenses of the public service for the fiscal year ending 31st March, 1926, the sum of $31,409,846.82 be granted out of the consolidated revenue fund of Canada.

Motion agreed to.

Resolution reported and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 171, for granting to His Majesty certain sums of money for the public service for the fiscal year ending March 31, 1926.

Motion agreed to, bill read the first and second time, considered in committee, reported, read the third time and passed.

AGREEMENT WITH CITY OF OTTAWA

Hon. J. H. KING (Minister of Public Works) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to provide that the minister may on behalf of His Majesty the King enter into an agreement with the corporation of the city of Ottawa extending for a period of five years from the first day of July, 1925, the provisions of the agreement between His Majesty and the corporation dated the thirtieth day of March, 1920, set out in the schedule to chapter fifteen of the statutes of 1920, which last mentioned agreement was extended for a period of one year from the first day of July, 1924, under the authority of chapter fifty-nine of the statutes of 1924.

Provided nevertheless that the minister may agree on behalf of His Majesty to pay to the corporation annually the sum of one hundred thousand dollars during the said period of five years from the first day of July, 1925, instead of the annual sum of seventy-five thousand dollars as provided for in the said agreement.

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

Sir HENRY DRAYTON: Explain.

Mr. KING (Kootenay): The resolution is self explanatory. It is proposed to amend the agreement entered into between His Majesty and the corporation of the city of Ottawa in March 1920 providing for a cash subsidy of $75,000 per year. Last year we had a consultation with the city officials, and as we could not agree upon a further increase of subsidy, we asked for a renewal of the old agreement for one year. The corporation have again approached the government this year for an increase, and after several consultations it has been decided to increase the subsidy from $75,000 to $100,000 extending over a period of five years. That is all that is involved in the amendment.

Mr. LUCAS: For what is this subsidy paid?

Mr. KING (Kootenay): The government of Canada have been paying a certain sum of money to the city of Ottawa for certain services rendered by the city. The government under the British North America Act does not accept liability for taxation on real estate owned in the city of Ottawa or elsewhere, but it has been considered proper at various times to enter into an agreement with the city for the making of an annual cash grant. The first agreement, I think, was in 1883. It was amended in 1885, and again in 1910 and 1920. In addition to this grant there is paid to the Ottawa Improvement Commission $150,000 per year. I might say to the committee that the demands of the city were much greater than the government could concede at this time. Their representatives say that they should receive an increase of $250,000 this year, claiming that the services rendered had increased in cost to the city; for instance, the fire service maintained by the city, and which is at the disposal of the government, the sewerage service, police protection, and other services. The government have considered that a fair arrangement, I would not say a generous arrangement, but a fair arrangement for these services under the financial conditions that exist to-day.

Mr. LEADER: I understand that this subsidy is paid by the government in lieu of taxes; in other words, that their property in Ottawa is exempt from taxation, and the government takes this method of recouping the city for these services. Am I right in that contention?

Mr. KING (Kootenay): The government does not admit the liability to taxation.

Mr. LEADER: But they are paying this subsidy for the services rendered by the city in regard to the government property. Does the government not think the same principle should apply to lands held under the crown? For instance, to municipalities where there are abandoned soldier settlement lands that are exempt from taxation; should not the same principle apply there?

Mr. KING (Kootenay): I think not.

Mr. LEADER: If you are not willing to have these lands taxed, should not the government pay a subsidy to the municipality?

Mr. KING (Kootenay): No.

Mr. LEADER: Does the minister say no?

Mr. KING (Kootenay): No. I think Ottawa as the national capital should be considered, and always has been considered, on a different basis. You will find that that applies to the various capitals of the world. But there are certain services rendered by the city for which the government, while they do not admit the liability to taxation, do give cash grants.

Mr. LEADER: I understand that perfectly well, but other municipalities also render certain services, such as building roads and keeping open schools in the district where these abandoned lands are, and I wanted to know if the policy of the government was to allow these services to slip by without compensation. It is not the policy of the government to give them any subsidy?

Mr. KING (Kootenay): No.

Mr. SPENCER: Ottawa is the only exception?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I asked my hon. friend to explain and he said that the resolution explained itself. I did not want an explanation of the print, but an explanation of his action. I thought he understood that, but I will try to be more explicit. There is an increase here of 33⅓ per cent. I wanted an explanation of the increase. I suppose the minister has it but he did not give it. He does not give it when he says that the

claims by the municipality are much higher than last year. While the minister is giving the explanation, perhaps he might say how we get along with local improvements. I forget what we had to pay for Wellington street. What is the total of our payments to the city? The figure indicated here, plus the $150,000 for the Improvement Commission, is not by any means the total of our payments to the city. I am not saying the amount is not right or anything else; I am simply asking for information.

Mr. KING (Kootenay): I dwelt at length with the cash subsidy, which we are increasing from $75,000 to $100,000.

Among other expenditures which have been assumed by the government from time to time, there are the following: Cartier square; that dates back to the time when the government assumed the maintenance and upkeep of Cartier square for $9,510 a year. Then there is Major Hill park, which the government took over some years ago, and have maintained at an annual cost of $19,512.14; Wellington street and Plaza, which is maintained and repaired by the government at a cost of $12,710 per year; Laurier avenue bridge, which crosses the canal, and for which the government pays $1,002 per year for maintenance, lighting and repairs; Chaudiere slide bridge, which the government maintains at an annual cost of $1,951; that is a very old item. Then there is the maintenance of Union bridge at a cost of $500; Pretoria avenue bridge maintenance, $4,278. Bronson avenue bridge $955; Bank street bridge, towards which a subsidy of $80,000 was paid on which we pay interest at 5 per cent per annum, amounting to $4,000; the Interprovincial bridge, towards which a subsidy of $212,500 was granted at 5 per cent interest, amounting to $10,625 annually; St. Patrick street from Sussex to bridge, maintenance $4,285 Then there are certain amounts for lighting generally, in addition, making a total expenditure for all the items I have given of $70,000 odd.

Sir HENRY DRAYTON: What do we pay for lighting?

Mr. KING (Kootenay): We pay as follows:

Lighting Generally (additional)—	
Roads and bridges..	$675 00
Rideau gate..	36 00
Whiteway Hunter building..	95 00
167 Queen street..	63 36
Egan building, Sparks street..	35 36
Mines building, Sussex street..	31 92
Daly building..	74 76
	1,011 40

In addition to that we pay for water, so much per thousand gallons.

Sir HENRY DRAYTON: What is our water bill?

Mr. KING (Kootenay): About $42,000 per year. Then there is $150,000 per year for the Ottawa Improvement Commission. Those are the principal items.

Sir HENRY DRAYTON: What is the total of all these items?

Mr. KING (Kootenay): The water service could hardly be included. That is a real service and is supplied practically at cost by the city. I have not totalled the figures, but offhand I would say they would amount to about $365,000.

Sir HENRY DRAYTON: Without the water?

Mr. KING (Kootenay): Counting the water in. I have not checked up the total, but I will in a moment.

Sir HENRY DRAYTON: As I take it, what we are paying for is fire and police protection, because we pay for our local improvements, we pay for our water and sewerage. You are paying your locals and for most of your other needs. The work of the commission, I suppose, is going on just as it did before.

Mr. KING (Kootenay): Yes.

Mr. HOCKEN: Has the government ever considered dealing with Ottawa as the federal government of the United States deals with Washington, turning it into a federal district and taking charge of it? It seems to me that would be the proper thing to do with the city. Is that under consideration by the government?

Mr. MACKENZIE KING: That is a matter I agree with my hon. friend that ought to be very carefully considered. It has been considered at different times, and I imagine it is just a matter of time before the suggestion he has made will be acted upon.

Mr. SPENCER: The minister referred to the cost of upkeep of several bridges. Why is the federal government debited with the upkeep of these various bridges around Ottawa?

Mr. KING (Kootenay): The Laurier avenue bridge, for instance, which crosses the canal, is owned by the government of Canada. The government of Canada also maintains the bridge across the Chaudiere slide.

In the old days, just after confederation, the government built the Interprovincial bridge across the Ottawa river under an agreement with the two provinces, each province and the Dominion bearing one-third. There is maintenance to be looked after there. In the case of the Bank street bridge a straight subsidy was given to the city of Ottawa some years ago. We do not maintain that structure; the city maintains it. A subsidy was also paid in the case of the Interprovincial bridge, and the city maintains this structure also.

Resolution reported, read the second time and concurred in. Mr. King (Kootenay) thereupon moved for leave to introduce Bill No. 172, to authorize an agreement between His Majesty the King and the Corporation of the City of Ottawa.

Motion agreed to and bill read the first time.

CANADA EVIDENCE ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 27, to amend the Canada Evidence Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Marcil (Bonaventure) in the chair.

On section 1—answers to incriminating questions.

Mr. LAPOINTE: The bill seeks to amend sub-section 2 of section 5 of the Canada Evidence Act. This sub-section is the one that deals with the witness who objects to answering a question because he fears that his answer might incriminate him. As it now stands the law compels him to answer, but the answer so given is not to be used or be receivable in evidence against him in any criminal trial other than a prosecution for perjury in the giving of such evidence. The bill proposes to strike out the words "in the giving of such evidence." I may say that this is asked for and strongly urged by the law officers of the government of Saskatchewan. Prior to the Canada Evidence Act being enacted, as my hon. friends know, the system was that a witness could refuse to answer altogether on the grounds that the answer might be incriminating. That privilege was taken away from him but with this restriction —that his answer could not be used against him except on a prosecution for perjury in the giving of such evidence. The way the law works out has been illustrated recently in a case in the province of Saskatchewan, which is really a typical one. A man named Joe Kruchkowski was heard at a coroner's inquiry into the death of two men who had been murdered and there he swore that at a fight, after a dance, near a farm on the sixteenth day of June, 1924, he had in his possession a stick or post and with it struck one of the victims named Mike Kazima. Subsequently at the preliminary trial of the man who had been charged with the murder of these two men he still swore that he had a stick or post in his possession at that time, and that he had struck said Mike Kazima. He was subsequently prosecuted himself, and was acquitted on account of no evidence being available against him, and he himself was not heard. Subsequently another man was prosecuted for manslaughter, the same resulting from the deaths of these two men, and there the same Kruchkowski stated under oath that he did not have in his possession such a stick or post, and never struck the said Kazima. He admitted in that trial, however, that he had perjured himself at the preliminary investigation and at the Coroner's inquiry. He was prosecuted for perjury committed at the preliminary investigation and inquiry and his evidence given at the trial of the other man, at the third trial, was brought against him and he was convicted. But the Appeal court of Saskatchewan ruled, and I think properly so, that this evidence should not have been used against him because he had claimed his privilege and he could be subjected to prosecution only in giving of the evidence there and not in the giving of the evidence at the preliminary trial. It is felt that it is not fair to give such a protection to men who want to deceive justice; that they should be protected against any prosecution as a result of their evidence, but not if they deceive justice in giving evidence. I think the elimination of these words, as suggested by the Attorney General of Saskatchewan is advisable. I have read the Hansard reporting the debates when the Canada Evidence Act was amended and nothing was said at the time which could foresee such a situation as this.

Sir HENRY DRAYTON: I think my hon. friend is quite right in proposing this amendment, although he might have gone a little further than he has. In the case in question the man swore at the third trial that he had no stick. It might well be that this was a true statement and that my corroborative evidence it could be shown that he had no weapon in his hands at the time. On the other hand his former sworn evidence cannot be produced in evidence against against him because the perjury charge is based on the perjury alleged to have been committed at

the third trial when he swore that he had no stick.

Section agreed to.

Bill reported, read the third time and passed.

MEAT AND CANNED FOODS ACT AMENDMENT

The House resumed from May 25 consideration in committee of Bill No. 73, to amend the Meat and Canned Foods Act.—Hon. Mr. Motherwell.—Mr. Marcil (Bonaventure) in the chair.

On section 1—Definitions, canned foods.

Mr. MOTHERWELL: The House will remember that when this measure was under consideration a week ago I was asked whether it applied to fish or not. Section 30 of the act indicates that provisions in regard to fish are not administered by the Department of Agriculture. This act is administered by the Minister of Agriculture in regard to everything except fish; the Minister of Marine and Fisheries administers the fish end of it. Here is the authority for it:

> The administration of any part of this act may be assigned by the Governor in Council to any minister other than the Minister of Agriculture, and in such case the minister to whom such assignment is made shall have the same powers with respect to the part of this act to him assigned as the Minister of Agriculture now has.

I have before me the order in council which provides that all parts of this act that have to do with fish and shell fish are to be administered by the Minister of Marine and Fisheries. I thought it was a separate act, but both are included in the act. All matters outside of fish are administered by the Department of Agriculture, and all matters that relate to fish are administered by the Department of Marine and Fisheries.

Sir HENRY DRAYTON: My hon. friend from Comox-Alberni (Mr. Neill) raised that question and the member for Vancouver Centre (Mr. Stevens) referred to it, but I do not think they were so much interested in whether the salmon were to be herded by my hon. friend or his colleague. They were more interested in the question whether fish as fish were to be considered as coming within the spirit of that resolution. Now I understand they are so to come. I have no doubt my hon. friends will be glad to hear that, because both were objecting to it. As it is six o'clock and neither of these gentlemen are present, I think the matter might be postponed till eight o'clock.

At six o'clock the committee took recess.

[Sir Henry Drayton.]

After Recess

The committee resumed at eight o'clock.

The CHAIRMAN: When the committee rose at six o'clock Bill No. 73, to amend The Meat and Canned Foods Act, was under consideration.

On section 1—Definitions.

Mr. MOTHERWELL: The feeling of the committee, as evidenced by the questions asked by hon. members from both coasts who are interested in fishing matters, seems to be that this bill should not apply to fish. That being the case, and to make it clear that I do not wish the bill to cover that commodity, I move that section 1 be amended by inserting after the word "foods" in line 11 the words "except fish and shell-fish". The provision will then read:

> "Canned foods" includes foods except fish and shell-fish that have been pre-heated, cooked, and so on.

Amendment agreed to.

Section as amended agreed to.

On section 2—Canned fruit or vegetables or food to be offered for sale in prescribed containers only.

Mr. NEILL: Will not the same amendment be necessary in this section?

Mr. MOTHERWELL: Yes. I move that this section be amended by inserting after the word "products" in line 20 the words "except fish and shell-fish". The section will then read:

> All canned fruit or vegetables or products thereof, or any food or food products except fish and shell-fish which may be named by the Governor in Council.

Amendment agreed to.

Section as amended agreed to.

Bill reported, read the third time and passed.

THE DAIRY INDUSTRY ACT, 1914, AMENDMENT

The House resumed, from May 28, consideration in committee of Bill No. 109, to amend The Dairy Industry Act, 1914—Hon. Mr. Motherwell—Mr. Gordon in the chair.

On section 5—Sale of cheese.

Mr. MOTHERWELL: There are I believe one or two sections to be disposed of. In connection with section 5 the committee will remember that exception was taken to the elimination of the word "knowingly" in line 9. I move that the section be amended by inserting that word before the word "sell" in the ninth line, so as to make it read:

—knowingly sell, offer, expose or have in possession for sale.

Amendment agreed to.

Section as amended agreed to.

On section 8—Penalty for obstructing persons enforcing act.

Mr. MOTHERWELL: This section is objected to on the ground that it is too comprehensive altogether, and I think it is right to have some reasonable limitation. The following is suggested in substitution, beginning at line 35:

"13. Any person (a) who obstructs an inspector, or (b) being the owner or his representative or employee in charge of any produce to be inspected by an inspector under this act, refuses to give any such officer all reasonable assistance in his power or to furnish him with any information he may reasonably require, shall be liable to a penalty not exceeding $500, and not less than $50 together with the costs of prosecution, and in default of payment of such penalty and costs to imprisonment with or without hard labour for a term not exceeding six months, unless such penalty and costs with costs of enforcement are sooner paid, or to imprisonment with or without hard labour for a term not exceeding six months, or to both fine and imprisonment."

I move that this be substituted for section eight.

Mr. BOYS: I should like to express my appreciation of the excellent legal knowledge the minister has displayed in assenting to the proposition to leave the word "knowingly" there. I have not the bill before me, but we had passed section four, and I raised the question myself. Is the minister doing anything to put that right? Because I think the necessity of section 5 being amended applies with equal force to section four.

Mr. MOTHERWELL: I thought that was passed.

Mr. BOYS: I have the bill before me now. Section five is the section I recall in connection with which I raised the point and suggested that the minister should either insert the word "knowingly" or add a proviso which we then discussed and which I need not now repeat. But we had passed section four, and it seemed to me that the same objection would apply to that. If the minister will look at the right hand page where the explanatory note appears he will find the following:

No person shall either by himself or through the agency of any other person manufacture, or shall knowingly buy,—

These concluding words are left out, but it seems to me it is just as essential that you should let the words, "or shall knowingly buy," remain in that section as it is to restore the word "knowingly" to section five. It comes back to the same proposition we were discussing, that if you do not insert that word you may under the act convict an innocent man—something which the minister said he did not want to do, and I am sure no other hon. member wishes to either.

Mr. MOTHERWELL: Section four refers to manufacture or import, while section five refers to sale. A man might innocently sell goods that were prohibited, but certainly not manufacture them without knowledge.

Mr. BOYS: The minister misunderstands what I am saying and the force of the section to which I am referring. The word "knowingly" does not apply to manufacture in section four as it appears on the right hand page, which is explanatory. It reads:

No person shall either by himself or through the agency of any other person manufacture,—

There is no qualification there at all. Then follow these words:

—or shall knowingly buy,—

Those are left out in the substituted section.

Mr. MOTHERWELL: This applies to adulteration by the use of cottonseed oil or cocoanut oil, and the latter is giving the most offence.

Mr. BOYS: The minister agrees that it is proper to insert the word "knowingly" before the word "sell' in the fifth section; that has been done to-night. Is it not equally important to insert the word "knowingly" before the word "sell" in the fourth section? I do not wish to add it in connection with manufacture because then the offender knows what he is doing, and if he has contravened the provisions of the act he certainly should be punished. Probably "knowingly" should be added before the words "import into Canada," but that is also dealing with the matter in a larger way, and perhaps people should be more careful; but when it comes to "sell, offer, or having possession for sale, any cheese," and so on, the person might do it innocently, and that is where I think the word "knowingly" should be inserted. I cannot see why it is proper to insert it in connection with section five and improper to do so in connection with section four when both sections deal with selling.

Mr. MOTHERWELL: What is covered by section five is a comparatively trivial offence and not very frequently committed, and the insertion of the word "knowingly" there is a concession to those who thought we were going too far. When this does occur, the party can sell the goods on the market by giving proper notice, but we want to dis-

courage the practice. Adulteration is a very grave offence, and if you have to prove that the offenders are knowingly doing it, it will be very difficult to convict them.

Mr. BOYS: I am not urging for a moment that "knowingly" should be inserted in connection with manufacture; but surely it is just as essential to have the word there in connection with selling. The only answer the minister gives is that there will not be very many of these offences. Well, when an innocent man is charged, it is just as important to him as if ten people were concerned. I do think the minister should add "knowingly" before the words, "sell, offer, or have in possession."

Mr. NEILL: Mr. Chairman, the minister says his reason for refusing to insert the word "knowingly" in this case is that one offence is very much more serious than the other. But when he comes to the penalties he makes them the same in each case. Under section ten a first offender is liable to a fine not exceeding $400 and not less than $200, and if he offends a second time he is liable to a fine not exceeding $1,000 and not less than $500. So evidently the minister regards both offences as being equally reprehensible. As to the penalties these are very heavy. I can hardly recall any other section of the Criminal Code or of acts of this character where the first offence carries a minimum penalty of $200, fifty dollars is generally the outside for a minimum penalty. And it is particularly heavy when applied to some poor storekeeper who does not know and cannot know the cheese is adulterated.

Mr. MARTELL: I quite agree with the observations made by the hon. member (Mr Boys). It seems to me the tendency is to go too far towards putting the burden of proof upon the defendant. The merchant may import goods. He is a bona fide purchaser for value, and he has no knowledge that he is importing adulterated goods. He is not an analyst. He offers these goods for sale in a bona fide manner, and I submit it should be incumbent on the presecution to prove that he knowingly committed the offence. Of course a person manufacturing goods in contravention of the act knows that he is doing it; in fairness he should be made to take the consequences of the acts of his employer or servants. But to say that a person who innocently imports goods which are found to be adulterated is to be fined is absolutely unfair and opposed to every principle of justice. The word "knowingly" is used because it puts the burden on the prosecutor to prove that the accused knowingly committed the offence. If he is found in possession of adulterated goods, or offering them for sale, there would be prima facie evidence that, as they were adulterated goods, he did it intentionally. But the proof of the mens rea, or guilty mind—that is to say, the proof of the scienter, should be on the prosecution. The Minister of Agriculture and many of his officials are not lawyers, but men who have had experience in the courts know that it is essential to put the least possible amount of restriction upon industry or legitimate business, and I believe that is the policy of the minister. So I submit you are hurting nobody by putting in the word "knowingly"; you are giving the defendant, who probably would be an innocent man, a chance for his life. Before the crown or the prosecution should be enabled to extract fines of $300 or $400 from the people they should show at least a guilty mind on the part of the person complained of. If my hon. friend (Mr. Boys) will move that the word "knowingly" be inserted after the word "manufacture" in paragraph 7 of section 4, I shall be glad to second it.

Mr. BOYS: I would move it most willingly, but I feel this is a suggestion the minister should willingly accept, and I cannot help thinking he will accept it. It goes to the very root of criminal procedure. The hon. member (Mr. Martell) has referred to scienter and a few more things, but if there is one thing we should have in mind it is the animus furandi that must permeate our whole criminal law. To find a man guilty of any serious crime without knowledge is repugnant to one's idea of justice. I again impress upon the minister the desirability of having this word inserted here, as well as in section 5. He will be consistent; he will be fair to his department; he will be above all things fair to any persons who are charged under this section.

Mr. MOTHERWELL: It is a question whether if you put it in here you will have it done again in a little more pronounced fashion, and so on, until every offence in the calendar is preceded by the word "knowingly." However, I would not like to stick on this, but I hope it will not be extended all along the line. We have to prove these cases, as I mentioned on a former occasion, right up to the hilt before we can get a conviction before the average court; naturally there is sympathy for the accused when the government is prosecuting. This will make it more difficult, but if my hon. friend will move to have the word inserted, I will second it. But I hope it will stop there, because you will

make these acts of very little value if we start that in everything.

Mr. BOYS: Is the minister prepared to go the distance of inserting it after the word "manufacture," or does he object to that, and would he prefer to have it after the words "import into Canada?"

Mr. MOTHERWELL: Do not apply it to the manufacture.

Mr. BOYS: I say, after the word "manufacture." There are three propositions; the first is manufacture—

Mr. MOTHERWELL: Put it before the word "sell."

Mr. BOYS: All right. I will move, then, that the words "or shall knowingly" be inserted after the word "Canada" in the first line of 7, section 4.

Mr. MOTHERWELL: That will be all right.

The CHAIRMAN: Shall the amendment carry? Carried. Section 13.

Mr. BAXTER: Just a moment—

The CHAIRMAN: Now we are back on section 4, and that has been passed in committee.

Mr. BAXTER: Well, I wished to make a suggestion in regard to the amendment that has been introduced, but if I am not to be allowed to proceed then I cannot make it.

The CHAIRMAN: It has been debated several times. We have no right to go back into it. Section 13; an amendment has been moved to cover the whole section. Shall the amendment carry? Carried.

Bill reported.

Amendments read the first time.

Mr. Motherwell moved the second reading of the amendments.

Hon. J. B. M. BAXTER: (St. John City and Counties of St. John and Albert): Mr. Speaker, I wish to take the opportunity now to do what seemed objectionable in committee. I wanted to make a suggestion there, but it seemed so important to rush the bill out of committee that I did not have an opportunity to express myself. I am not at all anxious to take up the time of the House, neither do I care very much what becomes of a bill of this character. The suggestion I have to make is certainly not for political benefit; it is purely directed to the people who may have to live under such a set of regulations. I came into the chamber a little late, and I thought section 4, making a new section 7, was being discussed, and I am still under that impression. I want to point out that the amendment that is proposed by inserting the word "knowingly" after the word "Canada" may not carry out the view that I heard expressed as soon as I had come into the chamber. A perfectly innocent importer may be imposed upon by the fraud of the people who are sending the goods to him, and I think "knowingly" should apply to his case just as it does to that of any other. I also have considerable doubt whether the interposition of the word "knowingly" before the word "sell" will carry any further than the word "sell" itself. I think the intention is to make it applicable to selling, offering or having in possession for sale any cheese which contains any fat or oil other than that of milk or cream.

Mr. SPEAKER: Order. Might I call the attention of the hon. gentleman to the fact that under rule 17a the present motion is not debatable, but if he will wait a moment until I put the motion for the third reading, he can then propose any amendment or make any statement he desires.

Amendments read the second time and concurred in.

Mr. Motherwell moved the third reading of the bill.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): The discussion that took place in committee raises the whole question of guilty knowledge, and I entirely agree with the minister that it is difficult to prove offences against this and many other acts. The easiest thing is to adopt legislation, and when you carry it to its extreme, you get legislation which allows an official of a department to be complainant, judge and executioner. That sort of law is popular with some sorts of people; it is not popular with me, and I do not think it is popular with the people of Canada generally. You can go so far on the road; that is the ultimate goal of all that character of legislation.

There are certain acts that everyone recognizes are morally wrong, and there is no trouble about putting a penalty against them. An Act may be of such a character that the commonsense of the community says, "that shall not be committed." We do not use the word "knowingly" before the word "steal" because English law implies the knowledge of a man's guilt when he commits a distinctly

immoral offence such as that. But there is a large class of acts that are neither right nor wrong in themselves according to the moral sense of mankind, and if the legislature thinks they ought to be prohibited it has the power to do so, and the regulation may be useful; but with regard to those classes, almost invariably the word "knowingly" is inserted except when it is found that there is a very common practice of evasion, such as has occurred under the licensing laws in most countries, and then the legislature has deemed it wise as an extreme matter to make a prohibition which carries with it a penalty regardless of the knowledge of the person against whom the penalty is levelled. Now that applies to a class of cases where a man, for instance, under the old liquor laws was the keeper of a tavern and was made responsible for the acts of his employees, not that he would necessarily know what they were doing, but just because men in his situation were very likely to avoid having any knowledge, and the legislature determined there should be the responsibility. But the legislature never acted, I think, without having some clear moral justification. They legislated in that way because they knew they were dealing with a man or a class of men who would try to dodge the provisions of the law. Here, however, a perfectly reputable man may import into Canada cheese believing it to be bona fide good cheese, and he may be warranted in believing that; there may be all sorts of certificates come with it, and he believes it to be good. But the way this legislation is drawn, if the cheese contains a fat or oil other than the fat of milk or cream, that man becomes a quasi-criminal and is liable to a penalty. Now should the importer be deprived of all opportunity of manfesting his innocence? Is it to be an offence irrespective of knowledge? I think the word "knowingly" should apply to that as much as to anything else.

I see other provisions, in section 5, by which no person can

> —sell, offer, expose or have in possession for sale, any cheese in which has been incorporated during the process of manufacture any inferior curd or cheese, unless due notice has been given of such incorporation.

Just what the meaning of that bit of nonsense is I cannot make out. Just why it is worth while for this parliament to take time to legislate in language of this character passes my comprehension. "Unless due notice has been given of such incorporation" —given to whom? It does not say to any officer of the department; it does not say to the public. I do not know what the notice is, nor to what person it is to be given, nor can I see why if he gave notice to the whole world it should be any justification or excuse to a man for putting some inferior ingredient in the thing he proposes to sell as cheese. I have no sympathy whatever with a man who knowingly does it, and I have less sympathy with the class of legislation that carelessly allows some man to get by. But under this legislation, if the man sells, offers, exposes, or has it in his possession for sale, even though he has not been connected with the process of manufacture and knows nothing about it, is it fair to hold him criminally responsible and impose a fine upon him?

The minister has gone even further in revelling in this class of legislation. When we look at the penalty section we find, as one hon. member characterized them, extraordinary provisions. Now where the penalty has no minimum, where the fine is "not exceeding" a certain amount, very little harm is likely to be done. Magistrates commonly, but not without exception, exercise good commonsense, and if they find that a man is technically guilty of an offence without being morally guilty of it, they may impose a nominal penalty or impose no penalty at all. But here is an act which when you get within its meshes allows no man to escape however innocent he may be with a fine of less than $200. That is the least that a magistrate can do if he convicts.

This bill is only one of a number of similar character that I have seen during the last few sessions of this House. They are the product of officialdom. They are called for by men in many cases who have not brains enough to prepare a decent prosecution, who have not grit enough or nerve enough to go out and get the evidence, and who just wish to take the man before a magistrate and say: Here he is, now convict him. I will not help that kind of legislation. We are revising the statutes at the present time, I understand, and amendments such as this will be incorporated in the book we will look to as the law for the next fifteen, twenty or twenty-five years. Do not let us adorn it with such examples as this. It is silly, to use the lightest epithet; it is abominably unfair when you begin to use language that somewhat describes the offence, and the offence is not committed by the innocent man, for there are innocent men and there will be innocent men in the world dealing in cheese, but the real offence comes from the minister who has reached out for the moon and tries to give us green cheese as legislation.

Mr. BOYS: Just to keep consistent in the matter, I think it only right for me to say this —perhaps I made the remarks before when the hon. member for St. John and Albert was not present. I agree with what he says regarding the words "import into Canada," and so expressed myself to the minister in committee and thought half a loaf was better than no bread. The minister seemed willing to insert the word "knowingly" after the words "import into Canada" and I certainly felt that was much better than nothing at all, and would probably go a long way to remedy what I considered was a wrong.

Mr. MOTHERWELL: We made a friendly compromise.

Mr. BOYS: Yes, we made a friendly compromise. At the same time I feel it my duty on the motion for third reading to say to the minister that while friendly, it is neither complete nor strictly legal; and it might be, perhaps, worth while attempting once more to be a little more friendly, to make a little further compromise, and put the word "knowingly" in where it should be namely, before the words "import into Canada." I also feel like saying that I cannot agree with the hon. member for St. John and Albert (Mr. Baxter) who suggests—perhaps not too positively but nevertheless suggests—that the words inserted by the amendment might only apply to the word "sell. I really cannot see why he should draw that inference. You have only to read the words after "import into Canada" or shall knowingly sell, offer, or have in possession for sale—and so on. It seems to me from reading the provision as amended that the "shall knowingly" would apply to all the words immediately following as they are intended to do in section 5 where we also inserted the word "knowingly." But having said that, I again press upon the minister to make the wording right so that it may be consistent throughout, because there is no question it would be just as unfair to an importer who acted innocently as it would to a retailer who sold innocently, and to make the section right you certainly should have the word "knowingly" inserted before the words "import into Canada."

Mr. MOTHERWELL: We made a friendly compromise a moment ago. We have been three-quarters of an hour on this bill, let us pass it and try it in this form. I do not think anything serious will happen; I am sure this is fair.

Mr. BAXTER: I do not understand "friendly compromise" in a matter of justice. I can understand people taking what they have got to take; I can understand the arbitrary imposition of one will against another; but I do not understand "friendly compromise."

Mr. SPEAKER: The hon. member may only speak once on a motion of this kind. Is it the pleasure of the House to adopt the motion?

Mr. G. G. COOTE (Macleod): I should like to express my opinion very briefly. I think the hon. member for St. John and Albert (Mr. Baxter) is quite right. For my part I do not think you can compromise between right and wrong. I think it is only right that the word "knowingly" should have been inserted in the section before the word "import." I can only say to the minister that I regret that he is not consistent, and that he does not try to protect those who are innocent so far as their knowledge goes. I fail to see what line of action the minister is really trying to follow in this matter.

Mr. T. G. McBRIDE (Cariboo): I do not see why we should give so much consideration to those who import butter and cheese into this country. We do not want these products imported; we can produce all we require here. I would like to see the penalty increased instead of being reduced in the case of anybody who tries to bring butter or cheese into Canada.

Motion agreed to and bill read the third time.

LIVE STOCK AND LIVE STOCK PRODUCTS ACT, 1923, AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 111, to amend the Live Stock and Live Stock Products Act, 1923.

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

On section 1—Removal from stock-yards.

Mr. MOTHERWELL: This section is exactly the same as in the old act with the exception that the word "such" is omitted; it was inserted by mistake.

Mr. KELLNER: What is the meaning of the reference to section 16?

Mr. MOTHERWELL: That relates to the by-laws and regulations of the stock-yards exchange.

Section agreed to.

On section 2—Provisions to be included in by-laws.

Mr. MOTHERWELL: The committee on Agriculture changed the bill a bit, I was not present at the time.

The CHAIRMAN: The committee amended this section by adding after the word "thereof" in the thirty-first line the following words "and all moneys received to effect purchase of live stock shall be deposited in a shippers' trust account in a chartered bank."

Mr. MOTHERWELL: I explained to the hon. member for Macleod (Mr. Coote) that after we discussed this matter when we were considering the resolution I again discussed it with some of my officers. Apparently they had been looking the question up in the meantime and found there was not really any law with respect to the administration of trust accounts. So we decided to try the new term "trust account" with the addition that was put in by the committee on Agriculture which seems to me to dove-tail in well and to present itself as the best method that we could devise. So I think the amended section will be all right.

Section as amended agreed to.

On section 3—Licenses for commission merchants.

The CHAIRMAN: This section has been amended by striking out after the words "egg breaking plant" in the tenth line the following words "or to operate as an egg buyer or dealer in eggs." These are the words that have been struck out by the agricultural committee.

Mr. BAXTER: The section I take it originally dealt with the licensing of persons connected with the stock-yards, that is operating on a stock-yard as commission merchants or dealers. Now, persons are brought in here who apparently had no connection with the stock-yards—people who operate as exporters of live stock, meat, poultry, eggs and wool. It seems to me that the exporters of these commodities scarcely require to be regulated. I would like to hear some reasonable explanation for mixing them up with the stock-yard business, or for having an official of the department fall on them and require a license, and above all take a fee. Surely people can go into this business without having to be regulated down to the nines? We are having altogether too much paternalism on the part of the government

[Mr. Motherwell.]

Mr. MOTHERWELL: This has been amended so as to omit the need for a license for anyone except those engaged in the export trade! All these egg circles, and such, have been eliminated by the amendment. Now the only ones that will be licensed will be those that are exporting eggs to any country. I may say that we have information from the Imperial Marketing committee indicating that all products of Canadian origin that desire to have a preference over foreign products on the British market will have to be distinctly marked "of Canadian origin." If the exporters refuse to do this we should have the power to license them or to refuse to grant a license. Just as in the case of cheese we are endeavouring to build up the quality of our products especially on the British and other markets. Now, Canada has already done a lot to commend the quality of its products to the Old Country consumer. I expect, judging from our correspondence overseas, that it will only be a short time when that provision will be part of the conditions on which they will obtain access to the British market. We have been following this practice and this is simply in conformity with our practice. If we are going to have the necessary care exercised by exporters, we must have some way of obliging them to put their products in proper shape, just as we have done in the case of cheese, which we discussed the other day in the House. If a man persists in doing that which will destroy our trade in dairy products with another country, we must have some way of preventing him doing it; otherwise he will repeat the offence. We did take authority in regard to cheese the other day, after a great deal of discussion, and this measure is along the same lines. We may not have to exercise the right of demanding a license, but the very fact that we have the power to demand a license from any exporter of these commodities will act as a great deterrent of wrongdoing. This provision does not apply to the country merchant or the retailer. That matter was dealt with by the committee on Agriculture. This provision applies only to those engaged in the export trade. I am sure the hon. member for Victoria City (Mr. Tolmie) is aware of the facts in regard to this matter because he is in touch with it; and my deputy reports to me, after his recent trip to the Old Country, that Canadian storage eggs are the highest class of eggs found on the British market. That has not happened by accident. A number of hon. members knows that it takes a

good deal of work at the point of origin to see that the quality is preserved, not only when starting out, but all along. Having won this reputation, we should see that it is maintained, and the price of course will be maintained accordingly. This may look extraordinary to the hon. member for St. John and Albert (Mr. Baxter). I admit that it looks to be exacting legislation. If we produced a low grade of eggs of course we would not want legislation of this character. People would gather eggs to-day or to-morrow or next week, and bring them in any old time and send them away any old time. If we did not care how they arrived at their destination, we would not require any law at all. But the moment the market demands a high product, and we find our competitors are producing a high product, we require restrictions which may look ridiculous to a layman or to one not closely associated with the trade. I think my hon. friend from his standpoint may look upon it as quite nonsensical, but I assure him that if he were a dealer in eggs he could find that the quality of eggs obtained at the present time at home or anywhere else is infinitely better than it was years ago. This is proven by the fact that the average consumption of eggs in Canada is ten dozen per capita more than it was five years ago. Now men do not eat ten dozen more eggs because they are of a worse quality than formerly, but they eat them because they are better. Consequently we have raised the standard, not only for home consumption but for the foreign market, and I think we should try to still further improve the quality of eggs.

9 p.m.

Mr. BAXTER: I do not refer to eggs alone; but in the case of the country merchant in the province of New Brunswick who buys up a lot of poultry at seasonable times, for instance at Christmas, if he sends a few hundred pounds by express to some dealer in Boston he is an exporter of eggs. Where is that man to go in order to get a license to sell a few hundred pounds of poultry? The minister has become obsessed with the idea of the British market. That may be all right for certain purposes, but it is not every man who sends products to the British market on a high scale. There may be small exporters, but the moment a man goes into the exporting class he has to get a license and pay a fee, even if he only sends a few hundred pounds of poultry to Boston in a year. That is infernal nonsense, and all the argument in the world would not convince me to the contrary.

Mr. MOTHERWELL: I have attended the annual meetings of the Poultry Dealers' Association in Montreal and in Toronto, and the exporters themselves have urged this legislation, in order to keep the derelicts out of the business—the men who are prejudicially affecting our trade. When you find the exporter asking to be licensed, it is not likely that that feature of it is going to worry him. The country merchant to whom my hon. friend refers, if not an exporter, will not be affected in any way.

Mr. BAXTER: He will become an exporter the moment he sends out a few hundred pounds.

Mr. MOTHERWELL: Five carloads of turkeys from the west were sent down to Montreal last year, and because of bad preparation, the turkeys not being properly dressed or graded they were not acceptable at all on the Christmas market. Their grading was held up by the purchasing agent at Montreal, with the result that they were held on the track for some time, and they were sold for ten cents less per pound than should have been realized for them, on account of the improper dressing and the delay. They were not properly dressed poultry. Now it takes the dealers two or three years to live down the reputation they get from one consignment of bad poultry. Surely you do not want to take up time discussing the scallawag produce dealer who does not care what his reputation is so long as he is making a profit out of the business. I am trying to legislate for all classes, but particularly the man who grows the turkey and the man who eats it. All well ordered society has middlemen; I am anxious to see that they get a square deal as well, and when they come to me and ask that they be licensed in order to keep bums out of the trade I feel like complying with their request.

Mr. BAXTER: The minister has not impressed me very much yet. He is taking care of the consumer, and is taking care of everybody else in the world, and reminds me, in his efforts, more of a brooding hen than anything else.

Mr. MOTHERWELL: If that remark is intended to be clever, I will accept it as such.

Mr. BAXTER: The man who only sends away a few hundred pounds becomes an exporter, and I think the minister has let the cat out of the bag. This is a device to drive the small man out of the business, and to com-

pel him to hand over whatever he has to sell to some big man who will have a license from the department and be prepared to do business. The big ones want the little ones suppressed because they will give a bad name to Canada, the minister says. That is nonsense. If a man exports anything which is unfit for food, he will get a bad name himself, and if he is a small man he has to take the risk. If the government intends that no man shall be able to export a few hundred pounds of poultry or anything of that kind, and that he is going to be driven into the hands of the big exporter and must sell to him, then the only man who can do business is the one who can afford to come to Ottawa and obtain a license. If that is the sort of legislation the minister is proposing we should know it.

Mr. KELLNER: Are there not a lot of other regulations outside of this provision? I thought anyone wanting to sell had to have a grading of his eggs in some way or other.

Mr. MOTHERWELL: Yes, it comes under the By-products Act. In this bill we are not dealing with the retail trade. This deals entirely with the export of eggs and these other commodities.

Mr. COOTE: What regulations will be put into force in connection with the export of live stock, particularly cattle?

Mr. MOTHERWELL: Before stock can be shipped from the yards in Winnipeg to the United States there must have been obtained from the veterinarian in the district of origin a certificate of health. But sometimes it happens that men will try to take cattle over the border without this certificate. If some man can make it worth while for the fellow in charge on the opposite side to look the other way he may be able to get through a whole consignment without the certificate. and some of those cattle might be mangy or might be infected with some contagious disease that would prejudice the reputation of our cattle all along the line. Such a man ought to be refused a license.

Mr. COOTE: I have heard the suggestion that the department was going to put into force certain regulations governing the class of cattle that might be exported, particularly to England. Is the government contemplating such regulations at present or in the near future?

Mr. MOTHERWELL: I can assure the hon. member that the British government has all the regulations that are necessary.

Mr. COOTE: I was not thinking of health regulations; I was referring to the class of animals that are exported. We have heard the suggestion from time to time that the department intended making regulations in that respect.

Mr. MOTHERWELL: No.

Mr. McTAGGART: How much will these licenses cost?

Mr. MOTHERWELL: If a man is conducting a business to which we can take no exception we do not demand any license at all. We are merely taking authority to issue licenses, and if offences become at all prevalent that provision will be put into practice. The fee is usually a dollar; I do not suppose it would be worth while making it fifty cents, because it would cost the other fifty cents to hunt up the necessary change.

Mr. KELLNER: Would it be compulsory for anyone engaged in any of the businesses enumerated here to obtain a license? The provision merely says that the minister may grant licenses.

Mr. MOTHERWELL: We have on the statutes a provision for licensing the operators of egg-breaking plants, of which there are several in Canada. These are plants where eggs are cracked and broken into bulk and frozen for shipment. My information is that although the law in this regard has been standing now for two years the industry has been conducted so properly that we have not yet had occasion to issue licenses. I hope the committee is not thinking that we are trying to make work for ourselves; it is necessary for us to have the power under the act to issue these licenses if conditions justify this. The mere fact that such a provision is on the statute books is a deterrent, although we have not yet exercised it.

Mr. COOTE: Can an exporter continue to ship cattle from Alberta to the United States at the present time without coming to the department for a license?

Mr. MOTHERWELL: Undoubtedly; but if abuses creep in we may find it necessary to notify all exporters that, in the interests of those who are doing a legitimate business, we shall compel everybody to obtain a license. In that event we should be obliged to eliminate the culls—not the cull cattle but the cull dealer.

Mr. NEILL: What will be the use of this section if there is no penalty attached to the person who ignores it? The minister says that he will not issue licenses unless he is obliged to; but there is no provision in the bill which inflicts any punishment on the man who

ignores the law. A man may say, "Go ahead and issue licenses if you will; I am not bound to get one, the act does not requires me to." Where, either in this bill or in the original act, is there any penalty for exporting without a license?

Mr. MOTHERWELL: I should think it would be penalty enough if a man could not export.

Mr. NEILL: But what is to prevent him from exporting if he is not obliged to get a license? This provision says that the minister may be authorized to issue licenses; but what happens the man who continues to export without a license?

Mr. MOTHERWELL: There is a general provision in the act dealing with the question of penalties. Some hon. gentlemen thought we had too many penalties in the last act, but I think that there is sufficient provision now to meet such a case as is suggested. Just as exporters in the other case would not be able to get access to a boat to ship cheese without a certificate, so in this case the license will be necessary once we begin to issue them. In other words, when the licenses are issued they will be exacted from everybody. The very fact that this may be done will I think tend to make them all conform to the law.

Mr. BOYS: The minister is probably right when he says that there is a general provision in the act to punish any contravention of it. But how can there be a contravention of the act if the act does not declare that it shall be essential to get a license? All that the section does is to provide that the Governor in Council may authorize the minister to issue special licenses. Let us assume that the minister issues fifty, and that fifty other people are carrying on their business without the license. Where is there in the act anything that says it shall be unlawful for anyone to conduct a business without the license?

Mr. MOTHERWELL: If we find that the offences warrant it, we will make regulations in keeping with the act, making it obligatory upon everyone to obtain a license.

Mr. BOYS: Where is the authority for that?

Mr. MOTHERWELL: In the bill.

Mr. BOYS: If the minister can point to anything in this section which gives that authority is settles the question. But all that it says is that the minister may issue licenses and prescribe the terms and conditions upon which they shall be issued. In other words, he can say that the fee shall be so much, and he can pass other regulations. But where does it say that the minister is to have authority to prevent anyone from carrying on a business unless he first obtains one of these licenses?

Mr. MOTHERWELL: We have to take this in conjunction with the main act, under section eleven of which it is provided that:

(1) No person shall offer or accept for shipment or shall ship any live stock or live stock products subject to inspection or branding or marking under this act, unless the requirements regarding inspection, branding, or marking have been complied with and the certificates mentioned in this section have been issued; provided that production of such certificates shall be sufficient authority to any transportation company to accept for shipment the live stock or live stock products covered by such certificates.

(2) Inspectors shall issue certificates for all live stock or live stock products inspected and approved or branded or marked by them. Such certificates shall be in such form as may be prescribed by regulation.

I think we will take chances on seeing that the law is observed, if you will give us the power asked for.

Mr. BOYS: If there is a provision in the main act that meets the point raised, it ought to be very easy for the minister to give it to the committee.

Mr. MOTHERWELL: I have read it.

Mr. BOYS: It says that no person shall do so and so without first obtaining a special license. If this section contained similar wording the point would be met; but that is not what the section says. Unfortunately we have not before us the old act, and it may be that some provision there read in conjunction with this makes everything clear; but the minister has not given us the information to enable us to reach that conclusion.

Mr. MOTHERWELL: We do not say "you shall," but we say "so long as you are conducting a proper business we will not exact a license; if you do not conduct it properly we will require you to take out a license, and if you have not a license after that you will not be able to export."

Mr. BAXTER: I have taken a few minutes to look up the main act of 1923, and it seems to me that this legislation is in about the same condition as some of the eggs that we are to be protected against—just a little bit addled. The act is only two years old, and already we are amending it. We got along without the act until 1923, although there was some legislation previously. Section fourteen provides that:

Any person violating any provision of this act, or of any regulation thereunder, shall be liable on sumary conviction to a fine not exceeding five hundred dollars, or to imprisonment for a term not exceeding three months, or to both fine and imprisonment.

There is no provision in the act of 1923 for these licenses at all, and, as my hon. friend from Comox-Alberni (Mr. Neill) says, the only provision is to be found in this section five which is to be added to the act. Section five originally was restricted to the issuing of special licenses:

To permit any person therein named to operate on a stockyard as a commission merchant or dealer, or to operate an egg breaking plant and may prescribe the terms and conditions upon which such licenses shall be issued, and the fees to be paid therefor.

There is therefore no violation of the act. Now what about the regulations? Section nine of the original act specifies what regulations the Governor in Council may make. They are regulations prescribing:

(a) the manner in which stockyards are to be constructed, equipped, maintained and operated.

You do not get it there.

(b) The manner in which complaints against the operation, maintenance or management of stockyards shall be made and investigated;

You get nothing there.

(c) The manner in which live stock, meat intended for export, poultry, eggs and wool, shall be inspected, graded, branded or marked and the manner in which live stock, poultry, eggs and wool, graded in accordance with the regulations under this act, shall be sold, offered for sale or displayed for sale, and what shall be the size and kind of packages containing meats intended for export, poultry, eggs or wool, and how such packages shall be branded, marked or labelled, and the manner in which the purchaser of live stock, poultry, eggs and wool shall prepare for presentation to the seller the statements of account of purchases of live stock, poultry, eggs and wool graded in accordance with the provisions of this act and regulations made thereunder, and the manner in which the investigation of such statements shall be effected;

I have read that beautiful jumble of words, and there is nothing in it that reaches the point before us to-night. I do not know whether it would be possible after a close examination to find what it does mean, but it certainly does not touch the question before us to-night. Then we have:

(a) the manner in which meat, live stock, poultry and eggs imported into Canada shall be inspected, graded, branded, or marked, and sold, offered for sale, or displayed for sale; the manner in which certificates shall be prepared indicating that such live stock, meat, poultry and eggs have been inspected, graded, branded or marked;

That is imported; we need not bother with that.

(e) The manner in which complaints against commission merchants, dealers or members of live stock exchanges shall be made and investigated;

(f) The manner in which calves are to be subjected to ante mortem inspection, and the manner in which calves condemned by inspectors shall be disposed of;

We do not get much nearer it there.

(g) the manner in which eggs found to be unfit for human consumption shall be valued and disposed of.—

They are amending that this year, and I need not read it all; it is much the same.

(h) the manner in which business is to be conducted by members of a live stock exchange, or those using a stockyard operated under the provisions of this act;

(i) that the by-laws or rules and regulations of a live stock exchange or the rules of and regulations of the lessee, owner, occupier, or operator of a stockyard, or any order issued by the minister in conformity with the provisions of this act, shall have the same force and effect as if embodied and enacted herein.

(j) generally for carrying into effect the provisions of this act.

There is not a single regulation touching this matter. There is not a thing in the act —there is no penalty; no man is required to have a license; the department does not care whether he gets one or not. This amendment is simply to hold this terrible threat over the head of the evil-doer so he will not be tempted to commit his favourite form of iniquity, unless the minister happens to call upon him to do what this amendment requires, to take out a license,—something which the minister has not a jot or tittle of authority to require him to do. And so the time of this House is taken up with trash like that

Mr. MOTHERWELL: That is a terrible castigation, Mr. Chairman. It shows what I am up against in attempting to explain an agricultural subject to an hon. member who has not had an opportunity to know much about it. This went through the agricultural committee without very much difficulty.

Mr. BAXTER: It will go through anything.

Mr. MOTHERWELL: I venture to suggest that the hon. member for Victoria City (Mr. Tolmie) does not talk such balderdash. The hon. member for South Simcoe (Mr. Boys) has been exceedingly reasonable to-night, and I have been trying to meet his objections, but my hon. friend from St. John and Albert (Mr. Baxter) must have got up on the wrong side of the bed this morning, because he is simply uttering one grouch after another. The last bill, "Oh, it was atrocious and was going to crucify people," and all that kind of bunk! This is not even going to touch up anybody with a gad. My hon. friend complains bitterly at not being able to find anything at all applicable to this section. He carefully omitted to read section fourteen of the act, which says:

Any person violating any provision of this act, or of any regulation thereunder, shall be liable on summary conviction to a fine not exceeding $500, or to imprisonment for a term not exceeding three months, or to both fine and imprisonment.

Mr. BAXTER: That is the first thing I read.

Mr. MOTHERWELL: There can now be no more lamentations about no fine being provided for. I suppose the complaint will be that the penalty is too severe.

Mr. BAXTER: You cannot apply it.

Mr. MOTHERWELL: Why, Mr. Chairman?

Mr. BAXTER: Because you have not any special provisions with respect to it.

Mr. MOTHERWELL: Sometimes you have special penalties, but in all the legislation I have had to do with there is invariably a general penalty that applies to anything.

Mr. BAXTER: Let the minister make a jackass of it, but do not let him ask us to concur with him.

The CHAIRMAN: Order.

Mr. MOTHERWELL: My hon. friend knows I am not a lawyer, but I have been dealing with this legislation for some time, and I know he is trying to take a rise out of me. Well, he is welcome to it, but I think he has taken a rise out of himself, if I understand the situation.

Mr. NEILL: Mr. Chairman, I would suggest that if the minister really wants to make this section effective, he should add the following words at the end of it:

—and may thereafter prohibit such exportation without such license.

That would meet the objection raised by the hon. member for St. John and Albert (Mr. Baxter). It would create a prohibition. You cannot fine a man $500 unless you create a prohibition of something.

Mr. BAXTER: The minister can. To do that would be to admit that I am right.

Mr. NEILL: The hon. member for St. John and Albert (Mr. Baxter) is right in this matter. My amendment would bring the exporter under the general penalty section 14, which the minister quoted a moment ago, imposing a minimum fine of $500, an amount which I think is extremely unjust. Perhaps we had better let it go through as it is. When there is no offence there can be no fine and the section will be a dead letter.

Mr. MOTHERWELL: I cannot please both extremes. One thinks it is too big and the other thinks it is too small. I think it would be well to try it out the way it is.

Mr. KELLNER: I think he had better let it go in its present form. It cannot do any harm this way. It will make a very good amendment for next year, anyway.

The CHAIRMAN: Shall section 3 carry? Carried.

Mr. BAXTER: On division.

On section 4—Paragraph (g) of section 9 repealed.

The CHAIRMAN: The Agriculture committee struck out the following three lines of (g):

The manner in which eggs found to be unfit for human consumption shall be bought and sold and disposed of;

The committee submit in amendment, in lieu of these words, the following:

That eggs of a condition unfit for human consumption shall not be bought, sold, exposed or offered for sale.

Mr. MOTHERWELL: Some of these eggs are used for tanning leather, but very few of them are sold; they bring only about a dollar a case. It is considered unwise to have any provision made for the disposal of them, because they are apt to get back into the trade and be mixed with good eggs. We propose to make a regulation to have them destroyed in an incinerator or otherwise, and not to allow them to be offered for sale. That is the purpose of the amendment.

Section agreed to.

The CHAIRMAN: Section 5 was amended in the committee to read as follows:

Paragraph (e) of section 9 of the said act is repealed and the following substituted therefor:

(e) The manner in which complaints against live stock exchanges, commission merchants, dealers, or members of live stock exchanges, shall be made and investigated.

Section agreed to.

Bill reported.

Mr. MOTHERWELL moved the third reading of the bill.

Mr. BAXTER: On division.

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

FRUIT ACT AMENDMENT BILL

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved that the House go into committee on Bill No. 117, to amend The Fruit Act.

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

Section 1 agreed to.

On section 2—Powers of minister.

The CHAIRMAN: Shall this clause carry?

Mr. BOYS: I do not know whether we as members of parliament should be useful

or not, but if we are to consider the bill at all we must at least be given an opportunity of reading the section or of getting an explanation from the minister while at the same time we glance at it.

Mr. MOTHERWELL: The object is to eliminate certain combination grades of apples, pears and cranberries that have been put up in boxes in the past. It is found that there is no demand for them, and the fruit men have requested that these combination grades be abolished.

Mr. BOYS: As I understand section 2, it simply makes provision for the establishment of grades for specified kinds of fruits such as apricots, peaches, plums and tomatoes, for which no grades are already established.

Mr. MOTHERWELL: Yes. We have no provision for these now. I had been dealing with clause 1. With regard to section 2, we have no grades for box fruit now except for apples, pears and crab apples, and we are here taking power to prescribe new grades, instead of having to come back to the House and having another amendment made to the act. There is a growing demand from time to time for new grades to be prescribed, and we are here taking authority to make them as circumstances warrant.

Mr. ROBINSON: Is the minister taking power to make additional grades for all fruits?

Mr. MOTHERWELL: No; just new fruit for which grades are not now prescribed. This does not apply to apples.

Section agreed to.

Sections 3 and 4 agreed to.

Bill reported, read the third time and passed.

ANIMAL CONTAGIOUS DISEASES ACT AMENDMENT

Hon. W. R. MOTHERWELL (Minister of Agriculture) moved the second reading of Bill No. 150, to amend the Animal Contagious Diseases Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Compensation to owners of animals slaughtered.

Mr. CALDWELL: What are the changes in this bill from last year?

Mr. MOTHERWELL: There are no changes in the compensation. This is only to make the act continuous in its effect, rather than terminable at a given period.

Section agreed to.

Bill reported, read the third time and passed.

NORTHWEST TERRITORIES ACT AMENDMENT

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of Bill No. 151, to amend the Northwest Territories Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Issuing of licenses to scientists or explorers.

Mr. STEWART (Argenteuil): This amendment is to provide for the issuing of licenses and permits to scientists and explorers who wish to enter the Northwest Territories. We are having visits from representatives of various foreign countries who go into the northern sections of Canada, and in some cases they have voluntarily come to us and secured permits, and we have examined their outfits going in, as well as coming out. But this has not been done in every case by the explorers who are going into this territory, and we are asking for this amendment in order that we may have authority to notify parties going into that country that they must obtain a permit of entry, thereby asserting our ownership over the whole northern archipelago.

Mr. MANION: Does this deal with the case, for instance, of a man who is going in to bore for oil?

Mr. STEWART (Argenteuil): Oh yes, if they come from some foreign country.

Mr. MANION: What is the rule at present as to people going into the Northwest Territories and boring for oil?

Mr. STEWART (Argenteuil): We have exactly the same regulations as apply to any other part of Canada.

Mr. MANION: With respect to outsiders I mean.

Mr. STEWART (Argenteuil): We do not prohibit the expenditure of foreign money. An American may come in and secure a license and bore for oil anywhere and spend his money.

Mr. CARDIN: No amount.

Mr. MANION: This, I take it, will compel an American who is coming in here to bore for oil to go to the department and get a permit first, but at the present time that is not done?

Mr. STEWART (Argenteuil): Oh yes, if he was going to bore for oil he would have to get a permit now. Here we are getting after men like MacMillan and Doctor Amundsen, men who are going in presumably for exploration purposes, but possibly there may arise a question as to the sovereignty over some land they may discover in the northern portion of Canada, and we claim all that portion.

Mr. BROWN: We claim right up to the North Pole.

Mr. STEWART (Argenteuil): Yes, right up to the North Pole.

Mr. BOYS: I want to congratulate the minister upon having done in this case the very thing we were urging in regard to the act dealing with cheese. I think it would be well for the Minister of Agriculture to note this for himself. I see that in this case power is taken not only to issue licenses, but on the last line penalties are provided for infractions of such conditions. It seems to me that is exactly what the Minister of Agriculture wanted in the other bill.

Mr. MANION: May I ask what is the position of the whole Wrangel island question at the present time?

Mr. STEWART (Argenteuil): The returns were brought down, I think.

Mr. MANION: I have had no notice of them.

Mr. STEWART (Argenteuil): Perhaps they were not. I think my hon. friend is right.

Mr. MANION: May I point out that I was not referring to Stefansson, or anything of that sort; I was referring to the whole question of Wrangel island.

Mr. STEWART (Argenteuil): We have no interest in Wrangel island, and the British government have expressed themselves to the same effect. We will be very glad to bring down all the papers that we can on the subject.

Mr. MANION: I remember Hon. Mr. Fielding saying on one occasion "What we have we hold" but there has been a change of mind in that respect apparently.

The CHAIRMAN: My hon. friend is referring to a subject that does not come up under this item.

Mr. KELLNER: At the last session of parliament the minister introduced a bill proposing to levy a tax against certain dealers in the Northwest Territories. Now he is bringing in legislation to license dealers up there. I submit that this is as much a form of taxation as the other proposition was. Now, we abandoned many years ago the idea of taxation without representation, and I should like to point out that the Northwest Territories have no representation in this House. Therefore I submit the minister should not pass any legislation which means the imposition of taxation upon the inhabitants of that part of Canada.

Mr. STEWART (Argenteuil): There is no intention under this legislation to collect any taxes; the amendments could not come in in this way even if that were intended. What we want to do is to assert our sovereignty. We want to make it clear that this is Canadian territory and that if foreigners want to go in there they must have permission in the form of a license.

Bill reported, read the third time and passed.

CUSTOMS ACT AMENDMENT

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries), for the Minister of Customs and Excise, moved the second reading of Bill No. 145, to amend the Customs Act.

Motion agreed to, bill read the second time, and the House went into committee thereon. Mr. Gordon in the chair.

On section 1—Smuggling.

Mr. CARDIN: This bill is a very short one and its object is very simple. It provides for new penalties in order to try and stop the great evil of smuggling. We have received many complaints about smuggling, and many suggestions asking that the law be made more severe. The first section proposed to be amended is section 206 of the Customs Act. This section remains practically the same as it was before. We only limit the application of the section to offences in regard to goods the value of which is under $200.

Mr. BOYS: I appreciate that, and I was just wondering why that limitation was inserted. What is to happen if the goods are above $200.

Mr. CARDIN: There is another section which deals with that.

Mr. MANION: Would the minister tell us what amount of goods is allowed to be brought into Canada at the present time without the payment of duty, or is there any amount exempted from duty?

Mr. MANION: No matter if a man brings in only an article worth $5 he must pay duty?

Mr. CARDIN: Yes.

Mr. MANION: Even if he is simply a transient tourist and brings back with him some goods he has to pay duty?

Mr. CARDIN: Yes.

Mr. MANION: There is a rule in the United States—I think the minister is aware of it because we have had some correspondence on the matter—that permits the importation without duty of goods up to a value, I think, of $100.

Mr. CARDIN: Yes to the amount of $100.

Mr. MANION: That is if the importation is not carried on as a business. For example a man or woman who comes over here as a tourist and takes back goods to the amount of $100?

Mr. CARDIN: Personal effects. No, we have no such exemption in our law.

Mr. CALDWELL: What is the present penalty for offences of this kind, or is there any?

Mr. CARDIN: It runs from $50 to $200, and this penalty will remain.

Mr. CALDWELL: Under the old act the penalty was the same no matter what the amount of the goods was?

Mr. CARDIN: The same.

Mr. CALDWELL: Now there will be a greater penalty for a greater value. Is that the only change?

Mr. CARDIN: It is practically the only change.

Mr. HANSON: No, there is another change in subsection 1 of section 206. The goods are seized and the seizure cannot be remitted. We take the goods and we exact a penalty too, which is a double penalty.

Mr. BOYS: That was the law before.

Mr. HANSON: No, that was not the law before.

Mr. CARDIN: We are doing away with the power of remission which formerly rested with the minister. According to the law as it stands at present a person can apply to the minister or to the Governor General in Council and obtain a remission.

Mr. MANION: You did it usually? It worked out that the man usually got his remission?

[Mr. Cardin.]

Mr. CARDIN: No, not very often. We want to do away with this discretionary power on the part of the minister and the Governor General in Council as a deterrent.

Mr. BOYS: It seems to me there is a conflict between paragraph (a) and paragraph (c). The former reads:

> Smuggles or clandestinely introduces into Canada any goods subject to duty under the value of two hundred dollars.

Paragraph (c) reads:

> —in any way attempts to defraud the revenue by avoiding the payment of the duty or any part of the duty on any goods of whatever value.

Surely it can be argued that if a person smuggled, that person is attempting to defraud the revenue by avoiding the payment of duty. In the case of paragraph (a) there is a limitation under $200. In paragraph (c) it says "on any goods of whatever value."

Mr. CARDIN: Yes.

Mr. BOYS: I cannot see how these two clauses can be consistent. It is true that the language is different. One says "smuggling" and the other says "avoiding payment;" but when you smuggle do you not endeavour to avoid payment? In the one case there is a limitation of $200 and in the other no limitation whatever. To my mind there is an absolute conflict.

Mr. CARDIN: I cannot agree with my hon. friend. Apparently to all appearances there may be some kind of conflict, but in reality there is none. Paragraph (a) says:

> Smuggles or clandestinely introduces into Canada any goods subject to duty under the value of two hundred dollars.

Paragraph (c) deals with general offences that are not covered by the first paragraph.

Mr. HANSON: Why not introduce the word "other"?

M. BOYS: Does the minister suggest that smuggling is not attenmpting to defraud the revenue by avoiding payment?

Mr. CARDIN: This case is particularly covered by subsection (a).

Mr. BOYS: I am not saying it is not. I admit that a person who contravenes the provision of subsection (c) is also contravening the provision of subsection (a). The only difference is that in one case there is a limitation of $200 as the value and in the other case no limitation at all.

Mr. MANION: It seems to me there is a difference in this way; that the first case is distinctly smuggling, the man who tries to

bring in goods without declaring value, but in the other case he declares a value which is too low. It may be a $100 article and he states it only cost $50. In the first case he does not declare the value at all.

Mr. BROWN: Will the minister give us the clause he refers to where the value is above $200.

Mr. CARDIN: Yes, section 3, page 2.

(3) Every one who smuggles or clandestinely introduces into Canada any goods subject to duty of the value of two hundred dollars or over is guilty of an indictable offence and liable in addition to any other penalty to which he is subject for any such offence to imprisonment for a term not exceeding seven years and not less than one year for a first offence, and to imprisonment for a term not exceeding ten years and not less than three years for a second and each subsequent offence, and such goods if found shall be seized and forfeited without power of remission, or if not found but the value thereof has been ascertained the person so offending shall forfeit without power of remission the value thereof as ascertained.

Mr. BROWN: It seems then that subsection (a) refers to the smuggling where the value is under $200 and the penalties provided, and subsection 3 refers to the smuggling of goods to the value of over $200, while subsection (c) refers to other methods of fraud which are not directly smuggling.

Mr. CARDIN: Yes, and the penalty is provided in the act.

Mr. BOYS: Does subsection (a) provide for cases under $200 and that alone?

Mr. CARDIN: Yes.

Mr. BOYS: Subsection (b) is intended to provide for cases over $200.

Mr. CARDIN: No, that is subsection 3 on page 2, at the top.

Mr. HANSON: Would the bill not be clearer if we inserted the word "other" after the word "any" in the first line of subsection (c)? Then I think the intent would be perfectly clear. It would then read, "or in any other way attempts to defraud". Of course smuggling is an attempt to defraud.

Mr. CARDIN: I do not see any objection to that. I am ready to accept that amendment.

Amendment agreed to.

Mr. HANSON: What is the reason for doing away with the power of remission? I presume it is intended to make it a little more stringent, but I can suggest cases in which it might be out of proportion. Suppose it were a trifling article which might have a certain value of affection; to take away from the minister the power of remission might result in hardship. I presume the object is to prevent the minister being harrassed to death by friends of the smugglers. After all, the minister can use a wise discretion in matters of this kind. I think it is perhaps going too far to provide that there shall be no power of remission. I think it is misplaced and I object to it on that ground.

10 p.m.

Mr. CARDIN: I quite agree it is very severe, but it has been prepared with a view to meet representations made by people interested in legitimate trade. Complaints coming from the trade are very numerous, and they are very insistent in this matter. These amendments have been practically suggested by persons who have been in the trade, and we thought that doing away with the powers of remission would act as a sort of deterrent. If any person wishing to smuggle goods into Canada is under the impression that he can appeal to the minister or the Governor in Council he will be disposed to take a greater risk than he would if he knew there was no chance of remission by the minister or the Governor in Council. This is in order to make our legislation more severe. I quite admit that this provision is a very severe one but this illegitimate trade has become very prevalent and we must make an effort to try and reduce the smuggling which is being carried on.

Mr. HANSON: Let me suggest a concrete case which occurred in my own practice some few years ago, where such a provision would work a very great hardship. A very reputable firm of Canadian industrialists purchased a number of machines made in the United States, and bought them duty paid delivered in Canada. The machines were brought into Canada under their own power. They were gasoline log haulers, very valuable machines, costing something over $30,000. They were purchased from a person in the United States who contracted to deliver them to the vendee, freight and duty paid, at a point along the Canadian border in Canada. They were entered at the Canadian customs house. The duty was paid on these machines on the entered values, and a large cheque passed upon the production of the customs receipt. It developed in the course of the next few days that the American vendor had undervalued the machines. He had got his cheque and passed out of the country and the machines were seized. They were released on the deposit of a large sum of money. I think the Commissioner of Customs demanded $30,000. After a good deal of negotiation we got

that sum reduced to about $10,000, which was about double duty, if I recollect rightly. Under this clause the innocent purchaser might be held as the person who introduced these goods into Canada, although he did not do it clandestinely. Under this legislation, if I read it aright, it might be held that there was no power of remission. This is a case of which I have actual knowledge, in which the innocent purchaser might suffer a very great hardship. If there were no power of remission he would lose the whole value of the machines, including the duty paid. The rules of the department, the Customs Act, and the regulations under which they work are very rigorous at present, but this seems to me to be going the limit, and in the case I suggest it would create a great hardship.

Mr. CARDIN: I think in the case indicated by my hon. friend his client would not come under subsection (a) because he was not the man who had smuggled the goods. The goods having been brought into Canada by an American firm he would come under section 2 of the bill, which provides the penalty for keeping or selling goods unlawfully imported. Such a man would be responsible for having in his possession goods which had been introduced illegally into the country. In the next section it is provided that if any person "knowingly" harbours, keeps, conceals, purchases, sells or exchanges any goods unlawfully imported into the country, whether such goods are dutiable or not, or whereon the duties lawfully payable have not been paid, such goods if found shall be seized and forfeited without power of remission. The burden is however on the crown to prove that he was knowingly in possession of goods that had been illegally introduced into Canada.

Mr. BAXTER: I am inclined to agree with the minister in his interpretation of the section. At the same time I want to urge him to strike out the words which deprive the minister of the power of remission. I do not think it is likely to happen that we shall have a minister of the crown who would use the power of remission unfairly. I know of course that it lays him open to a good deal of importunity; but a man has to pass through a good many hands before he reaches the ministerial department. The case is thoroughly sifted and the minister is not likely to grant the remission unless he is satisfied that it would be inhuman to impose the penalty. During the very short experience I had in the department which the minister is now administering I came across one or two cases in which, without the slightest representation from the parties themselves, but merely on reading the evidence that accompanied the papers for formal signature to confirm the forfeitures, I felt that it was morally unjust to impose the whole penalty. In one case I felt it was unjust to impose the penalty at all while in the other I did not think it should be imposed to the full. I do not think it is wise for the minister to deprive himself of that power. The cases are rare in which he would wish to exercise it, but he should feel all the worse to think that he was deprived of that power. I think the act would be strong enough and that no guilty person could escape if the minister retained that power.

Mr. CARDIN: The idea of the section is not to save the minister any trouble but to provide a new deterrent. When people know that there is no chance at all of any remission of the penalty and that they will not get back the goods they will be less inclined to smuggle.

Mr. FORKE: Suppose the minister introduced hanging; would not that be a deterrent? These things can be overdone. I am inclined to agree with hon. gentlemen to my right; the penalty is being made too severe. There will always be some smuggling and while we should take every step to put a stop to it, we should not make the penalties too extreme. What class of goods are being smuggled into Canada to any large extent?

Mr. CARDIN: Silks.

Mr. FORKE: It struck me that it was goods of that description that were being chiefly brought into the country. I can see why the minister wants protection.

Mr. CALDWELL: The minister might find himself in a position in which he would rather want to have the power of remission.

Mr. CARDIN: Possibly on sympathetic grounds.

Mr. CALDWELL: I do not think that the minister should deprive himself of that power. I would make a suggestion. Does not the minister think it would be better to remove the temptation by lowering the duties?

An hon. MEMBER: On silks?

Mr. CALDWELL: I am not referring to silks particularly, although all luxuries should pay a luxury tax. But if the duties all round were lowered that would bring the cost of living down. Would that not be better than to punish the poor, frail mortal who yielded to the temptation to smuggle goods in?

Mr. HANSON: The hon. member has not disclosed the true reason for his opposition to these severe penalties. Those of us who happen to represent constituencies along the border know how little respect is paid the revenue laws of the country on both sides of the line; and that might have something to do with our feeling in this matter. I think the law against smuggling ought to be strict, but we ought to stop somewhere, and the minister should consider more carefully the question of this power of remission. I will not say anything about the penalties, which should be severe. Did I understand the minister to say that this was inserted not so much as a deterrent but to assist him?

Mr. CARDIN: No, it is only intended as a deterrent.

Subsection (1) agreed to.

Subsection (2) agreed to.

On subsection (3)—Offence.

Mr. MANION: What was the penalty before?

Mr. CARDIN: A fine of from $50 to $200 with the option of imprisonment for a term ranging from one month to one year.

Mr. MANION: Now the term of imprisonment is raised from one year as a minimum to a maximum of seven years. That is a rather severe penalty.

Mr. BAXTER: I am not going to criticize anything that will help to enforce the revenue laws properly, but the minister will realise that the very severity of the punishment will cause juries to ignore their duty and to acquit in cases where conviction would otherwise be absolutely assured. That is always a bad spectacle in the community and it creates disregard for law. It is the strongest reason against penalties that are too severe. A fine of from $50 to $200 is inadequate for the offence with which the minister has to contend; but to jump from that to an indictable offence carrying a penalty of imprisonment for a maximum term of seven years with a minimum of one year for the first offence will, I fear, cause a good many juries to act as they do in cases of infanticide and find people not guilty who undoubtedly are guilty. It would be well for the minister to reconsider this section.

Subsection (3) agreed to.

Subsection (4) agreed to.

Section 2. Subsection (1) agreed to.

Section 2, subsection (2) agreed to.

On section 2, subsection (3)—When goods of the value of $200 or over.

Mr. HANSON: Does not the minister think there is a difference between the enormity of smuggling goods and their sale? Yet in the few minutes I have had to read this section it would appear that the penalty is the same in both cases.

Mr. CARDIN: Yes; but the man who is found in possession of goods which have been smuggled is protected by the word "knowingly." The penalty is severe, it is true, but the innocent person is protected.

Mr. LEWIS: Mr. Chairman, it seems to me that these penalties are altogether too severe. A man can rob one of our banks of hundreds of thousands of dollars and probably escape punishment; but under this legislation if a person brings across the border two or three hundred dollars worth of goods, and another man sells them, the latter may be punished by a term of several years' imprisonment. I do not know what we are coming to in this country. The best thing we can do is to have free trade, and then there will be no necessity for such legislation.

Subsection (3) of section 2 agreed to.

On the title.

Mr. MACKENZIE KING: Mr. Chairman, I should like to say a word or two about this legislation. The government is fully aware that these penalties are severe, but hon. members, I think know that during the last few years, since the enactment of prohibition in the various provinces, there has been a good deal of illicit traffic in liquor along the international boundary. Smuggling if it has not become a profession, has become a trade with large numbers of men and women, and a disreputable trade to be sure, but sufficient of an occupation to many for them to be engaged continuously in it. It has been found that the men engaged in smuggling liquor into the United States find it exceedingly profitable to bring back other commodities into Canada, and vice versa, and these smugglers where successful make such large profits that they do not hesitate to attempt bribery of our officials in their eagerness to evade the revenue laws. I regret to say, smuggling has reached a point where our customs officials find themselves quite incapable of coping with it effectively. Over and over again, representations have been made to and by the minister of the department that unless they were supplied with high powered motor cars, marine speed craft and other like equipment, they would have to throw up

their hands in some localities in dealing effectively with smugglers. The international frontier is an extensive one, and sparsely settled in many parts in the business thoroughfares, the pressure being put on the customs officials all along the line to accept bribes continues to increase, with the increase in legislative enactments in certain directions, and unless the law is strengthened our customs service will speedily become greatly demoralized. A year or so ago, at the request of many of the largest wholesale and retail merchants of the Dominion, the government agreed, if they would form a voluntary association, to co-operate with its membership in their efforts to evolve a more effective means of counteracting this evil. The Commercial Protective Association is an outgrowth of this understanding. This legislation has been drafted after conference between the officials of the Department of Customs and the officers of this protective association.

Not only is the revenue of the country severely suffering from the extensive smuggling operations, but it is alleged some businesses are being undermined by the quantities of contraband goods that find their way across the border despite our present laws. It is contended that a mere imposition of a fine is not effective. With the business of smuggling conducted on a large and profitable scale many of the men enaged in it are prepared to pay out a certain amount of their profits by way of fines, and take their chances on what they can make over and above this expenditure. It is believed that the only real deterrent is imprisonment. Again, the hope of recovering smuggled goods opens the door to the exercise of a degree of pressure which is certainly not in the public interest, and to which those who are engaged in the administration of our customs laws should not be subjected.

The government in this legislation is seriously endeavouring to overcome a very grave evil that has developed on a vast scale within the last few years. We have endeavoured to cope with it by means of the staff now available in the Customs department, but we are frank to admit that unless the law is made more severe and unless we are able to appoint our own customs officials and take direct responsibility for the type of men we put into the service, it is not going to be possible to make the frontier as immune from smuggling as we would desire. It is, I suppose, impossible to give accurate figures of how much is being lost to the country in revenue, but some of those who believe themselves to be well-informed estimate that anywhere from $50,000,000 to $100,000,000 a year is being lost through smuggling operations. These figures may be exaggerated, but at least the government is determined to fight the evil as effectively as it can, and it is for this reason that we have been prepared to accept the suggestions of those who are most interested in endeavouring to thwart the extensive smuggling operations that are carried on today. To a large extent we have acted on their recommendations in introducing this legislation.

Mr. HANSON: How do the penalties proposed compare with those now in force in the United States?

Mr. MACKENZIE KING: I regret I cannot answer my hon. friend as to that.

Mr. LEWIS: Mr. Chairman, this bill makes no discrimination between the smuggling of liquor and the smuggling of other dutiable goods; therefore it covers both classes of people, whether they are smuggling whisky or merchandise. But what interested me most in the explanation given by the right hon. Prime Minister was that the men who smuggle merchandise from the United States are making enormous profits. This being so, what about the industries in this country that we protect? Those interested in them must be making even greater profits. But no penalties are meted out to them at all; on the contrary, they are permitted to rob Canadian citizens of millions and millions of dollars. On the other hand, the individual who goes over to the United States, purchases goods in a legitimate way, and fails to pay duty on bringing them into this country is liable to imprisonment.

Mr. MANION: What about goods that are not produced in Canada at all?

Mr. LEWIS: Those goods should come in free.

Mr. MEIGHEN: Mr. Chairman, I thought the eloquent member for Swift Current (Mr. Lewis) was only approaching his point; I could not conceive that he thought he had finished it. I may say that I have a great deal of sympathy with this legislation, and I think I have a pretty logical title to that sympathy.

Mr. LEWIS: Logical from the protectionist standpoint.

Mr. MEIGHEN: I am opposed to smuggling, as everybody is, and I am in favour of heavy penalities for the smuggler. What the hon. gentleman who has just spoken said in his first address was this, that the offence of smuggling, while a violation of law, was not in itself as gross an offence as other

crimes which are punishable less severely. That is correct. At least in the general estimation of the human mind, fetching goods from one country to another even against the law, failing to pay duty, does not strike one as being such a gross offence as actual theft of a large sum of money, which is very frequently punished less severely than must be the fate of the smuggler under this bill. There is another principle, though, which has not been brought to attention, and it is this: that the severity of the punishment must have relation not only to the character of the offence but as well to the difficulty of apprehension. If a crime is difficult of apprehension the punishment necessary for him who is apprehended and convicted must be much greater. An example might be given of the offence of producing counterfeit bills. It is a very difficult offence indeed to produce evidence of. There are other examples that come to my mind. The punishment provided in the code for offences of that kind is very severe, and necessarily so; if it is not, there is no such thing as suppression of crime. Smuggling is in the same class; there is scarcely anything harder to produce proof of, harder to detect and to run down, than smuggling. It is doubly difficult in this country; I doubt if there is a country in the world where it is more difficult than it is in Canada. We have a border line of tremendous length. There are only a few parts of the country where any natural obstacle intervenes, and the consequence is that smuggling once commenced is very hard indeed to overtake. I might give an example, that of the cigarette smuggling habit. About three years ago the minister of the day brought in a measure to add very much to the cigarette duty. Warning was given at the time that so great was the impost that smuggling would become a profession. That has proved to be the case. I think the tax was $7.50, and the smuggling of cigarettes today is an occupation. The information I get is that half the cigarettes consumed in our border cities are smuggled. The minister when he repealed the super-tax admitted that the reduction in revenue which he suffered, something over a million and a quarter, was not due to the under consumption of the cigarette, but to the prevalence of smuggling. To overtake this crime is a tremendous task and I have the utmost sympathy with all efforts that tend to achieve it.

There is a circumstance we cannot overlook; it has been mentioned to-night by the hon. member for St. John and Albert (Mr. Baxter), at least since I came in. It is this: that if the law becomes too severe the difficulty of conviction increases; the juror is very likely to acquit. Well, I would go this far, that if we encounter that difficulty I would remove the jury from the whole supervision of smuggling. To tell the truth I have never had the greatest sympathy with the wide application of the jury system which we today enjoy. I do think we would have a great deal better law enforcement if we confined the jurisdiction of the jury and gave to the judges a wider jurisdiction than they now have. However, that is something that does not come under debate here. I do not speak against the jury system in general, but I do believe there are spheres of offences where the jury system is now imposed from which it would be much better withdrawn. So, if the severity of punishment for smuggling is such that juries recoil from verdicts, then I would advise the government to introduce some legislation to recoil from juries. We have enforced the laws of this country not only for the sake of revenue, but for other purposes which I was glad to see the Prime Minister recognize in his speech, namely, to see to it that our own industries are not undermined by the violators of Canadian laws bringing goods in here, ignoring the duty that intervenes. There is still another reason. While we have a tariff at all the man who obeys the law must certainly be protected against the man who violates it, and there is no such thing as doing business in Canada if any substantial section of the people are to be permitted to escape the law at the boundary while the law abiding section have to pay their share both of revenue and of protective tariff. I will stand behind very severe regulation and very severe penalties for the smuggler, and I do so for the reasons chiefly I have advanced.

Mr. WOODSWORTH: The other day in discussing the duties on certain commodities we were told of one commodity which could be brought in without much opportunity of detecting it, namely, diamonds. The leader of the opposition has just told us that when any crime was difficult of apprehension the penalty should be made very severe. In that particular case I think the leader of the opposition joined with the minister not in advocating a severer penalty but in saying that in the case of diamonds the duty should be taken off altogether. I have wondered whether instead of increasing the penalties for bringing in these other commodities we should not adopt the principle of taking the duty off altogether. We are keeping up an army of officials and apparently developing a race of

criminals by these special restrictions. It would seem to me a great deal cheaper in the long run to take the duty off and allow those goods to come in.

Section agreed to.

Bill reported.

ADDRESS ON SOUTH AFRICA

INVITATION TO MEMBERS OF PARLIAMENT FROM WOMEN'S CANADIAN CLUB

Mr. SPEAKER: By leave of the House, I should like to place before hon. members a communication which has been sent to the right hon. Prime Minister and which I should have read at the opening of the House. It is as follows:

The Women's Canadian Club
Ottawa, May 28, 1925.

The Right Hon. W. L. MACKENZIE KING,
Prime Minister of Canada,
Ottawa, Ont.

Dear Mr. King:

I am directed by the board of directors of the Ottawa Women's Canadian Club to extend to you personally and to the members of parliament with their wives, a most cordial invitation to attend a meeting to be held under the auspices of this organization in Keith's theatre at 10.30 a.m., on Wednesday June 3rd.

The speaker, Mrs. Tonkin, one of the South African delegates to the International Council of Women, is probably known to you, but I enclose some further notes dealing with her subject "The Beauties of South Africa".

The directors of the club will be pleased to place boxes at your disposal for any members of the government who may wish to attend.

Cordially yours,
ETHEL W. THOMAS (MRS. HERBERT I.),
Honorary Secretary.

WAR CHARITIES ACT, 1917

ORDER FOR DISCHARGE

On the order being called for the House to go into committee on Bill No. 47, to repeal the War Charities Act, 1917:

Hon. A. B. COPP (Secretary of State): Mr. Speaker, I do not propose to go further with this bill, and I move, with the unanimous consent of the House, that it be discharged from the order paper.

Motion agreed to.

RAILWAY ACT, 1919, AMENDMENT

ORDER FOR DISCHARGE

On the order being called for the House to go into committee on Bill No. 142, to amend the Railway Act, 1919:

Hon. GEORGE P. GRAHAM (Minister of Railways): Hon. gentlemen will remember that after discussion in the House it was decided that the object of this bill could be more appropriately attained by an amendment to the Criminal Code, and the matter has therefore been transferred to the Minister of Justice, who will present it as an amendment to that code. By unanimous leave of the House I therefore move that this order be discharged.

Motion agreed to.

BUSINESS OF THE HOUSE

Mr. MACKENZIE KING: I mentioned on Friday that the estimates we would take up to-day were those of the Minister of Justice. He is not in his seat at the moment, and I would therefore ask the House to give its consent to our taking up some other supply for half an hour, that of the Department of Labour, I would suggest, if it is agreeable.

Mr. MEIGHEN: I thought the House had been in supply to-day already.

Mr. MACKENZIE KING: Yes, but we moved to go into it again later to-day.

Mr. MEIGHEN: Was leave given?

Mr. MACKENZIE KING: Yes.

Mr. MEIGHEN: For half an hour.

SUPPLY

DEPARTMENT OF LABOUR

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

Industrial Disputes Investigation Act, $35,000.

Mr. HANSON: How much of this was spent last year, and are there any applications before the department at the present time?

Hon. JAMES MURDOCK (Minister of Labour): Last year $35,000 was spent. There are no applications for a board before the department just now.

Mr. HANSON: In view of the fact that the act has been declared unconstitutional, and there being no applications for a board before the minister at the present time, and no likelihood of there being many under the new act, why does he ask for the same amount as last year, when he did not spend that amount?

Mr. MURDOCK: We spent $35,000 last year.

Mr. HANSON: Oh, I thought you said $25,000.

Mr. MURDOCK: No, $35,000. My hon. friend will appreciate that we have all been in some uncertainty as to the provisions of this act since the 21st day of January last, and both employers and employees and the

Department of Labour have not known just what they might be able to do under this act. It is possible that we may not use this amount during the fiscal year, but it seems advisable to have the appropriation ready for use in case it might be needed.

Mr. HANSON: Is not the minister in a state of uncertainty also as to the effect of his new act? I would think he would be in a state of great uncertainty having regard to the constitutional phase of the matter.

Mr. MURDOCK: I will not raise the uncertainties anyway. We are now in a position and ready to do business, but of course we shall be altogether satisfied if there is no business at all in the way of industrial disputes coming to our hands.

Mr. WOODSWORTH: If there should arise industrial disputes on the Welland canal, could an application be made for a board?

Mr. MURDOCK: No. There are already what I think are generally regarded as satisfactory and equitable arrangements in effect for dealing with disputes on the Welland ship canal. Rightly or wrongly, there is a policy which has been in effect for more than twenty years by which disputes in respect to wages and hours on the Welland ship canal and other government undertakings are dealt with.

Mr. WOODSWORTH: Does the minister say that arrangement is satisfactory?

Mr. MURDOCK: I think I can very safely say that it is generally satisfactory, and the records of the department would so indicate. I know, of course, that certain associations from time to time express disagreement with the application of that fair wage policy, but we find just as pointed disagreement on the part of the contractors, and if my hon. friend cared to review the records of the department in respect to the Welland ship canal he would find, I think, just as marked objection at times on the one side as on the other. The department tries to follow the fair, even, middle course and to recognize the current wage in the district or a fair and reasonable wage, and the department would be in a position to show by comparative figures in regard to each individual wage classification that this course had been followed.

Mr. WOODSWORTH: The minister has hardly answered my question, whether if this dissatisfaction grows, it would be possible to apply for a board under this act?

Mr. MURDOCK: No, not as the law reads now, nor as it has ever read.

Mr. IRVINE: I would vote much more heartily for this item if under the law application could be made for a board in case of a dispute on government works. I have here a very strong protest from the Labour Council of Toronto against what is said to be a cut in wages on the Welland canal. I will just read it to the minister and ask him if there is not ground for a dispute arising here:

> The federal government came in for scathing denunciation at the District Labor Council last night for having sanctioned the reduction in the wage scale of all classes of workers employed on the Welland canal. Premier King was held to be equally guilty with Hon. James Murdock Minister of Labor. A resolution was passed by unanimous vote protesting against the lower wage scale and the increase in the hours of labor. Copies of the resolution were ordered to be sent to Premier King and his colleagues; also, to the Labor members in the House of Commons. The matter was introduced by John Flett, Canadian organizer of the A. F. of L., who pointed out wages had been reduced all along the line, varying from 10 to 20 cents per hour, according to the trade. Carpenters and plumbers alone were allowed the eight-hour day. All others had to work from 9 to 11 hours a day. In the case of laborers and unskilled workers, the rate of pay had been cut to 35 cents per hour for an 11-hour day, and no overtime was allowed or paid for.

I have here also a letter dealing with the same matter from Mr. James Watt, secretary, Labour Temple, Toronto, in which he says that he sent a copy of this letter to the Prime Minister and also to the Minister of Labour. He states:

> Copies of the schedule of wages to be paid employees on the Welland canal construction work were submitted to the District Labor Council of Toronto at our last meeting held on the 16th, inst.
>
> Delegates from organizations more or less affected freely criticized the action of the Department of Labor in authorizing the schedule and a resolution was adopted protesting against such action in references to both wages and hours.
>
> The council are of the opinion that the cost of living at the present time warrants a much higher rate of wages, and that it is hardly creditable to the government of this country, in view of the conferences and agreements with representatives of other nations, that the eight hour day movement should be almost completely ignored in the awarding of contracts of this nature.
>
> We are further of the opinion that the schedule as it stands, means an increase in the hours of labor per day and a lowering of wages in the district.
>
> In protesting against the action of the Labor department we sincerely hope that a re-adjustment of the schedule may take place at an early date.

I am not in a position to vouch for the accuracy of these charges, but I presume the Minister of Labour might at least throw some light on the subject. However, I do say this: It is an unfortunate circumstance that a wage dispute, such as I have just indicated can develop on a government work and perhaps a very serious situation arise therefrom, and yet the men may have no recourse under the act in connection with which we are voting this money.

Mr. MURDOCK: Very many references contained in the first article that my hon. friend read are totally inaccurate; in fact they are entirely untrue. For example, it is stated that the wages were reduced from ten to twenty cents an hour. That is not so; a number of the wage rates were not reduced at all. The labourers' rate was reduced by five cents an hour. We have figures with respect to the several classes of labour employed by different concerns through the Niagara peninsula, so that we will be able to show my hon. friend, if he cares to inspect the records, just what the various classes of labour are getting. I noticed the article in uestion when it came out, and observed the source whence it came. It is entirely misleading and generally speaking inaccurate. the carpenters' wages, for example, were not touched. The carpenters' hours were shortened from nine hours a day to eight hours a day. Why? Because in Niagara Falls, St. Catharines, and at one or two other points, by agreement between the carpenters' organization and the builders, an eight-hour day was in effect. Therefore the carpenters, a very important class of labour on the Welland ship canal, had their condition improved, from a nine-hour day to an eight-hour day. May I add that the department has a very lengthy request from I think about 47 carpenters and 17 carpenter's helpers on the Welland ship canal making application to the minister to be permitted to work 10 hours a day and today there came to my office a report from the Department's Fair Wage Officer in respect to this matter. I have yet to render a decision on that application; but I am quite sure that neither my hon. friend from East Calgary (Mr. Irvine) nor my hon. friend from Centre Winnipeg (Mr. Woodsworth) will recite to this House, either now or later claims by trades and labour councils to the same effect. There are so many angles connected with this question that it is not desirable at times to have in your hands the authority to determine what is the current wage, or what is a fair and reasonable wage, in any paritcular part of this country. For example, we have the same thing to do in Edmonton, Calgary, Vancouver and at other places where government contracts are under way.

Mr. ROSS (Kingston): Before the minister passes from that point has he information showing how many carpenters there are working on the Welland ship canal?

Mr. MURDOCK: I could not give my hon. friend the exact information but I could make a guess. I would say that on the various contracts there would be probably from 150 to 300. Those that I referred to a few minutes ago are engaged by one particular contracting firm, but the number of carpenters would vary according to the condition of the work. There are by the way, when construction is under way and progressing satisfactorily, some two or three thousand men employed in various occupations on the Welland ship canal.

In regard to the clipping from the Mail and Empire, and the statement from the Labour Council at Toronto which my hon. friend read, we have had all these protests before us and have taken them under consideration. If a fair wage policy is right in principle—there may be some argument in my hon. friend's mind about that—and if a department when giving a contract insists upon the payment, in a given district, of wages as fair and reasonable as those that are being paid by other employers of labour, I believe my hon. friend will admit that we have been fair and reasonable and have recognized the current wage and the current hours and conditions of employment on the Welland ship canal even in the last revision of wages that was made there. My hon. friend may not know that the application that came to me on January 17 last, suggesting in regard to the various contracts what the wages should be, quoted a twenty-five cent rate for labourers—I am speaking from memory now—a sixty-five cent rate for carpenters, and varying wages for all the other classes proportionately as low. After a careful and complete canvass of the entire territory the carpenter's eighty cent an hour rate was left there and his hours were reduced from nine to eight because that was the current condition in the Niagara peninsula. There is nobody in the form of an organization to speak for the labourer, but his wages were not fixed at twenty-five cents an hour because the current wage in the district was thirty-five cents an hour. There were many labourers being paid twenty-five cents; there were many being paid thirty cents. Our fair wages policy however, does not contemplate paying the minimum rate; it contemplates paying the current rate, and so we tried to make a decision based on the average of the various rates. Consequently a thirty-five cent rate was fixed which lowered the labourer's wage by five cents an hour.

Mr. IRVINE: I think I can see the difficulty that the Minister of Labour has to contend with in regard to this matter. Still I am loth to believe that the Trades and Labour Council of Toronto and the officials

of the A.F. of L. would make such statements as I have quoted if there were not some basis in fact for them. Does the minister know any real basis in fact for them at all or are they all fictitious?

Mr. MURDOCK: If my good friend had been connected with a labour organization as long as I have been in the years gone by he would realize that you can get almost anything in the way of criticism of a public man through a labour body, and it does not particularly matter whether that public man is a Grit or a Tory. Criticism if it is proposed will be generally carried, and it does not matter whether it is justified or not. It sounds good, because it is criticizing someone in public life, whether rightly or wrongly.

Mr. HANSON: Does the minister suffer much on that score?

Mr. IRVINE: The minister's answer is not very illuminating and not very creditable to labour, but apart from that, I would like to press the question, is there any basis in fact for the changes in the correspondence I read.

Mr. MURDOCK: Yes there is. I do not want my hon. friend to misunderstand me. The great body of labour is generally true and sound, but one misfortune is that it will sometimes endorse criticism as I pointed out a moment ago. There is in the minds of some labouring men possibly a criticism at any time when a wage rate is reduced. If my hon. friend has ever seen a condition of that kind that was not open to the criticism of organized labour, I never have, and therefore there is that justification on the part of the Trades and Labour Council of Toronto. Do not forget, they are many miles removed from the actual scene of operations on the Welland ship canal, but there is that justification for criticism in some cases when wage rates are reduced. We have common labour at 35 cents an hour. Certain linemen were reduced 20 cents an hour. Why? Because we found the current wages for linemen had changed from 75 cents an hour to 55 cents an hour. That was a large change, but the facts indicated that there was a substantial number of men in that calling who were working at regular employment at 55 cents an hour, or 20 cents an hour less than the rate paid theretofore. I can assure my hon. friend that I still believe if he would go over all the voluminous documents and information which we secured in connection with the recent wage revision on the Welland ship canal, he would agree that we had stood up pretty straight in determining what was the current wage in the district, and what was a fair and reasonable rate.

Mr. WOODSWORTH: I should like to ask the minister if he imagines that the amendment to the Industrial Disputes Act, which passed this House and the Senate, when put into force, will enable him to settle the dispute that we have had in Cape Breton?

Mr. MURDOCK: I do not think that the particular dispute that has been in evidence for the past several months unfortunately can be accepted at the present time as a national emergency, and I do not think it would be consistent for the government to now go into the business of trying to conciliate.

Mr. WOODSWORTH: Is that a national emergency?

Mr. MURDOCK: My hon. friend will kindly not overlook these facts. The Industrial Disputes Investigation Act, rightly or wrongly, since 1907 has contemplated conciliating before a strike took place, and by conciliation and investigation preventing a strike taking place. It has not generally been the practice under the act to utilize its provisions where a strike was really in effect, where someone had violated the intent of the law in the public interest, either employer or employee, and had really entered into a strike or cessation of work, either by lockout or otherwise; therefore my hon. friend I am sure will agree that the underlying principle of the act is, by conciliation and investigation, to prevent a strike, and the act never contemplated and never intended to give authority to go in when there was an actual strike in effect, and to say, "This must be done", or "The other thing must be done". Therefore I would say that, generally speaking, not necessarily always, but generally speaking, it would be inadvisable to apply the terms and provisions of the act where there had been an actual suspension of work before the provisions of the act would in the ordinary course and according to the intent of the law be applied. Therefore, just briefly answering my hon. friend's question, I say, no, I do not think it would be consistent to make a pretence—because it could only be a pretence—of applying the provisions of this act to the dispute in question.

Mr. WOODSWORTH: If I remember aright, the minister said several months ago, when the dispute first arose, that he did not very much blame the men in Nova Scotia for not appointing representatives on the board. Of what use is the act in such a case?

Mr. MURDOCK: Information of that kind can best be given to my hon. friend by looking at the results accomplished. Since 1907, 630 applications for boards have been received, and in only thirty-seven cases have strikes resulted. Therefore it looks as if something reasonably worth while had been accomplished. Last year there were nineteen applications for boards received and only nine boards formed. In ten cases, as a result of the applications, and the result of the efforts of the department, an agreed settlement was reached without even the necessity of forming a board, and in no one of those nineteen cases did a strike result. Now my hon. friend can consider the success of the act from the results which I have cited.

Item agreed to.

Fair wages and inspection officers, $5,000.

Mr. MANION: I thought there was an understanding we would only proceed for half an hour.

Mr. MURDOCK: This is only a $5,000 item.

Item agreed to.

Progress reported.

LOAN COMPANIES ACT, 1914, AMENDMENT

Right Hon. W. L. MACKENZIE KING (Prime Minister): I presume there will be no objection to taking up Bill No. 144, to amend the Loan Companies Act, 1914.

Mr. MANION: I am afraid my right hon. leader who has just gone out would have something to say about this bill. He went out a moment ago, but did not know anything else was coming up.

Mr. ROBB: I had a conference with the right hon. leader of the opposition, and my hon. friend will recall that when this bill was up on the 25th May there was some delay and I suggested it should be referred to the committee on Banking and Commerce. The right hon. leader of the opposition consented to that.

Mr. MANION: He was in the House a few minutes ago.

Mr. ROBB: He came over and spoke to me.

Mr. MANION: If the hon. minister tells me that, all right, I will take his word.

Mr. DEPUTY SPEAKER: Then the minister will move that the order of the day No. 32, "House again in committee on Bill No. 144, to amend the Loan Companies Act, 1914," be discharged.

Motion agreed to.

Hon. Mr. ROBB: I move that Bill No. 144, to amend the Loan Companies Act, 1914, be referred to the committee on Banking and Commerce.

Motion agreed to.

COMMITTEE ON PRIVILEGES AND ELECTION

Right Hon. W. L. MACKENZIE KING (Prime Minister): With the consent of the House I move that the name of Mr. J. B. M. Baxter be substituted for that of Mr. R. B. Hanson on the committee on Privileges and Elections.

Motion agreed to.

On motion of Mr. Mackenzie King, the House adjourned at 11 p.m

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Tuesday, June 2, 1925.

The House met at three o'clock.

ST. LAWRENCE WATERWAY

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, it is now many months since the committee known as the inter-departmental committee on the St. Lawrence waterway problem was appointed. May I ask the government whether that committee has made any report? And if it has, whether the government is prepared to lay the report, interim or otherwise, on the table?

Hon. GEORGE P. GRAHAM (Minister of Railways): Mr. Speaker, the inter-departmental committee has made several reports, but their contents are of such a nature that I think it would be unwise to lay the reports on the table at the present time.

Mr. MEIGHEN: Will the minister explain what features of those reports he deems to be confidential?

Mr. GRAHAM: Of course, I could not name those features; I might as well place the reports on the table. The committee has dealt with many questions of international importance, and a great deal of the matter of the reports is intended merely for the use of the National Advisory committee when the proper time comes, or as advice to the government with respect to what action it should take on certain matters. There is also argument in these reports which, I think my right hon. friend (Mr. Meighen) will agree with

me, should not be made public at the present time.

Mr. MEIGHEN: Could the minister give an estimate of how long it will be before he will be in a position to state to parliament the substance of the reports and the policy of the government?

Mr. GRAHAM: There is a mistaken idea about these reports being of a public nature at all. As a matter of fact, this committee is acting in an advisory capacity to the government, and its reports are pretty much of the nature of a report that might be made by my right hon. friend's private secretary to himself. I have never made these reports public. I have received one of them myself. Most of them have been printed, but they have not been distributed. Some day I shall have no hesitation in giving copies of the reports to my right hon. friend, and then I think he will agree with me that they should not be made public so long as there is contention between our country and any other regarding certain matters.

Mr. MEIGHEN: Will the minister say whether the government contemplate an announcement of policy on the subject within the calendar year?

Mr. GRAHAM: The government's policy at the present time, so far as the St. Lawrence is concerned, consists of following the advice of the International Waterways Commission to carry on a further investigation as to the good or ill that might come to Canada through the adoption of a plan for the enlargement of the St. Lawrence waterways. I think that until such time as the enlarged engineering board makes its report the government will not be in a position to announce any policy.

Mr. MEIGHEN: I am aware of that; but is the minister in a position to state whether he believes that that enlarged report will be before the government within the present year to enable it to decide its course on this question?

Mr. GRAHAM: The enlarged engineering board have named a date, but my memory does not serve me just now as to when they hope to complete their work.

Mr. W. F. MACLEAN (South York): Is it the intention of the government to hold up these reports in order to delay the hydro-electric development of the province of Ontario?

Mr. SPEAKER: Order.

Mr. GRAHAM: These reports have no connection whatever with the hydro-electric development of Ontario.

SUPREME COURT ACT AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the third reading of Bill No. 16 to amend the Supreme Court Act.

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

SUPPLY—TARIFF REVISION

MOTION IN AMENDMENT PRESENTED BY RIGHT HON. MR. MEIGHEN

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved that the House go into committee of Supply.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I rise to move an amendment:

That the Speaker do not now leave the chair, but that it be resolved:

That, in the opinion of this House, to meet the situation which has resulted from a strengthening in late years of the protective system the world over particularly in the United States; to give new life to industry and productive enterprise; to preserve and enlarge the Canadian market for Canadian farm products; to stimulate the development of Canadian resources by the Canadian people and thus create employment for our workers; to increase the traffic of our railways by which alone an all-round reduction of freight rates can be secured; and, as well, to provide added revenue and thus bring about a reduction of internal taxation, this Dominion requires an immediate revision of the Canadian tariff on a definitely and consistently protective basis.

That such revision should apply to natural products such as farm products, fish, and coal with no less thoroughness than to manufactured goods.

That to the same ends steps should be taken to conserve for Canadian development our essential and irreplaceable resources in material and power.

That while every effort should be directed toward the establishment of a system of preference for preference within the empire no preference should be given at the expense of the Canadian worker and all preference should be conditional on the use of Canadian ports.

That a tariff commission should be appointed representative of the three great classes of Canadian industry, agriculture, manufacturing and labour and be entrusted with the duty of studying Canadian tariff problems in their every bearing and of making from time to time such recommendations to the government as it deems in the general public interest with the reasons therefor, and with power also, where it finds unfair advantage is being taken of protective duties, of making recommendations to be given effect by the government for removing or reducing tariff schedules or imposing special excise taxes upon products in respect of which such advantage is taken, and that its reports, findings, recommendations and reasons therefor be given to the public.

That to enable the products of the western and Maritime provinces to reach more readily the markets so developed the special transportation burdens borne by those provinces should be shared by the whole Dominion either by contribution to long haul freight costs or by assistance in some other form.

It is a matter of regret to me, Mr. Speaker, that I am compelled to move this resolution, which has stood upon the order paper since the opening of the session, in the form of an amendment instead of as a substantive mo-

tion. On private members' days, which, under the rules, were alone open to me for this purpose, the order never was reached except at so late an hour of night as to render it impracticable to have it moved and discussed, and the government saw fit to decline to give any special preference to the motion or to fix a day for its discussion. That it now becomes an amendment to supply and on that account is open to the government to be accepted as a motion of want of confidence, is no choice of mine; it is the only alternative left. I avail myself of that alternative and shall present the reasons why I think the motion should be adopted, why at all events, if it cannot appeal to this House, it should appeal to the people of Canada.

In the Dominion the principle underlying this resolution, that of a protective tariff, has been recognized as basic and essential from almost our earliest times. It was first recognized as such in 1878 and was put in effect by the parliament chosen in the election of that year.

I have never been able to understand how any fair-minded Canadian can spurn the protective principle as applicable to this Dominion and can adopt a contrary one, namely, that which calls for the free admission or free export of any product in which Canada is interested as a producer. Two or three sentences include, to my mind, pretty nearly the law and the prophets on this question. The other plan might do if in the first place the world were prepared to abandon all its efforts to spread occupations throughout the universe; if all the nations were to gather together and agree that natural laws should operate and that the consequent concentration of industries in special countries should ensue. There are those who feel this would be a great boon to humanity. Whether it would or not interests us not a whit; the consummation of it is impossible. For myself, however, I do not think it would; I think it much better that each nation should see to it that there is diversification, variety of industry within its borders, and that the world is far better for this diversity, for this scattering of human occupations over the face of the globe. But as I intimated, the subject is not here for discussion; the nations of the world have followed a different course, and especially have those whose conduct, whether we like it or not, determine in great degree our own. If we had a system of free labour the world over; if labour were in this day to be regarded as a commodity purchasable in the open market under the unimpeded laws of demand and supply; if every employer in Canada were free to put his hand on any portion of the globe and take labour of any colour or any quality or any race, and if we could keep them here at low wages then there would be little to prevent the free competition of the industries of one land with those of another. That this is impossible is obvious to all, and to none more obvious than to those who have the interests of labour in the advanced countries of the world at heart. How anyone can imagine that with the price of labour determined by other considerations, not to any appreciable extent by the law of supply and demand but by laws brought about by the organization of labour itself—by laws restricting immigration; in a word, by protective laws applicable to humanity—how it can be imagined that under these conditions a country which is not free to buy its labour must be open to the competition of the countries where labour is plentiful and wages low, passes my comprehension.

But Canada in particular is situate beside a country which has determined on the other course, a country which for one hundred and twenty years has decided that the labour of that country, the great republic, shall be paid on a high level of remuneration, that consequently living standards there shall be better than the average of the world; and when that country lies along side us, with an unprotected border between, how anyone then can conceive that we can choose a policy looking to low wages, even if we would like to, is hard indeed to comprehend. We have learned by experience, and we should have been able to learn by the power of reason, that labour in Canada must be paid a wage comparable, and closely comparable, with that paid in the great republic to the south, and that, we cannot consistently with our existence adopt any course which keeps our wage level substantially lower than theirs. When wages in Canada in any class or compartment fall below the general level of the same class or compartment in the country to the south, the tendency and the ultimate end is that that class of labour drifts where the higher wages are paid. The Canadian producer without a protective tariff is under this necessity, that he cannot procure the labour of countries where it is cheap, that he must compete with the product of that labour. He must pay the level of his competitor to the south; and still there are those who say that he must sell his product at a price at which countries of cheap labour can sell that product here.

We have additionally to remember this—we do not need to, for already the considerations

which I have advanced are not only air-tight in argument, but have proven irrefragible in practice—so long as the United States of one hundred and ten millions of people is a closed market, if we are to adopt a policy which makes ours relative to theirs an open market, there is no inducement for industry to locate in this country at all with the alternative of location to the south open to that industry. For who, having regard to the prospects of his enterprise, would commence his business in a country where his one single open market would be invaded by his competitor when he could with equal ease launch it in a country where he would have the whole market closed against competitors and have his share of this market as well? How we can conceive that any considerable number would take such a course seems to me beyond the reach of reason or even of immagination.

All reasons which apply to every country apply to Canada, and apply with particular force to Canada. But Canada labours under conditions which make the adoption of this course with us imperative, conditions comparable to which no other country of the world confronts. Our course is mapped out for us, and we must follow it so long at least as the United States pursues a protective policy.

There are those who have been disappointed with the progress of Canada through the early decades of her development, but having in mind the conditions under which Canadian progress must be made, that disappointment in my judgment has not been well founded. I wish to place upon Hansard certain details illustrative of the development of our country under the protective system; because I ask hon. gentlemen to assume with me that the system prevailed for the most part undisturbed until three years ago. I am not arguing, when I make this statement, that it prevailed always at the level that would have been best for our country, but that the principle was recognized, implemented in practice, there is no dispute.

Until 1894 a substantially protective tariff was in effect. Reductions were made that year and with succeeding years slight reductions followed, but there was no material invasion of the protective principle until of very late years. Under the system which we followed and which has always appealed to me as obviously applicable to Canada, we developed from a very small country to one of proud proportions, and in every branch of our industry we multiplied our production and multiplied our wealth.

There are those who say it has weighed down hard on agriculture. The statistics of Canada do not contribute to establish that asumption. We have not our agricultural production data as far back as 1878, but I give the figures as far back as record goes.

Our field crops increased in value from $194,953,420 in 1901 to $891,755,200 in 1923; our live stock totals went from $268,651,026 in 1901 to $613,260,000 in 1923; our dairy products from $29,731,922 in 1901 to $104,972,046 in 1922; our mineral production from $10,221,255 in 1881 to $214,102,000 in 1923. Our manufactures went from $221,617,773 in 1871 to $2,747,926,675 in 1921.

Mr. FORKE: Have you got what they were in 1901?

Mr. MEIGHEN: They are not in this table, but the figures would be somewhere between those given.

Mr. FORKE: I would like to know the increase in the ten years following 1901.

Mr. MEIGHEN: The hon. gentleman can get it. The lesson would be just the same precisely as the lesson from these figures.

Our trade went from $141,844,412 in 1871 to $1,733,916,486 in 1923; our capital invested in steam railways went from $257,036,188 in 1871 to $2,159,277,131 in 1922.

There are those from the west in particular, —because from that quarter of Canada the fiercest propaganda for the opposite trade policy has been under way for many years— who contend that a protective tariff has weighed particularly on them. I went to western Canada myself in the year 1898. At that time there was an area there under crop of about 3,000,000 acres; that acreage rose to 38,000,000 in 1923, not indicating a very great retardation through false economic policy. Wheat and grain production, of course, has increased in like degree. At that time western Canada was producing about 12,000,000 pounds of dairy butter; in 1923 western Canada produced 78,000,000 pounds. At that time there was in the whole west, in the prairie provinces, about 400,000 people. According to the census of 1921, there were at that date 1,956,082 people.

These figures are by no means novel to residents of that country, but it is rather difficult to contend in the face of them that this development so rapid, unprecedently rapid I think the world over, could have taken place if those provinces were struggling against an adverse economic policy, against false and fallacious rules of trade.

Mr. HOEY: Would the leader of the opposition give us the figures of how many acres of free land were given away during that period?

Mr. MEIGHEN: Our free land would have been of no value if false policy had made cultivation unprofitable. If we had not had the policy we had, the Dominion of Canada would never have had the economic strength to get under western Canada, spread lines of transport there and enable it to develop at the speed at which it has developed. What is more, if we pursue the tendency which late years have led us to pursue, if we keep on the way we are going now, there will not be the industrial life-blood in the whole of this Dominion to do for the west what its representatives demand of this parliament at this time.

I trace very hurriedly the general trend of our recent tariff policy. This has been invaded, not by any means as seriously as hon. gentlemen threatened, only fractionally so, but it has been invaded in actual fact. It has been threatened by two great parties in Canada. So loud, so constant, so persistent have been the threats that the confidence of investors and business generally in conditions in this country has been impaired and shaken. It is argued—I have heard it advanced—that the tariff to-day does not differ very substantially from the tariff which was found by the present government when they came into office. The Acting Minister of Finance (Mr. Robb) when before him are placed the actual results of to-day as compared with corresponding results three and four years ago, always flings across the House the question "Well, how far after all have we interfered with the protective tariff which you maintained?" That question does not come very well from the Finance Minister of a party which threatened to subvert the whole principle of that tariff, who got into office on a pledge to subvert it and which, if it has only moved fractionally in that direction, has to that degree been guilty of infidelity to its pledges to this Dominion. But if hon. gentlemen are chargeable with infidelity to party principle and pledge, the country at least is fortunate that they went no further in the way of performance. It is true the difference as a mere matter of percentage is not very great but infinitely more harm has been done by the tendency, by the promises, and the threats, than has been done by the actual invasion of the tariff structure.

But there are other considerations which must be kept in mind. Tariffs, like everything else in this world, are relative; a tariff is high or is low arising out of facts in which the policy of other countries bears a very considerable proportion. Four years ago the United States of America had in force a protective tariff, substantially protective; but four years ago the Underwood tariff of the United States was relatively very small compared with the Fordney-McComber tariff of to-day. Four and five years ago the tariffs of the world were on a lower scale generally than those which surround us now. Since the armistice some sixty-five countries have raised their barriers. None has done so more pronouncedly than has France, which commenced the lowest, which had suffered from war the most, which set herself the most determinedly to recover her loss. And on our own continent none has acted so determinedly as that one great competitor whose course not only influences us but necessarily and inevitably influences us more than the course of all other countries—that is the United States. What might have been a sufficient tariff five years ago is, even though uninterfered with, an insufficient tariff to-day. I am not going to contend that the late administration—I refer to the Union administration—did not, in some of the steps it took—in one or two of the steps it took—make mistakes in tariff changes. I am going freely to admit that in one act of ours, namely, the wiping out of the duty on farm tractors, we made what has turned out to be a definite and clear error. We extinguished the farm tractor industry in this country, and the farmer of Canada has not been the beneficiary as a consequence of a policy which to industrial Canada involved us in such a loss. If error was made I want to stand and say with every frankness that error was in the direction of driving too low, in the face of consistent propaganda, the tariff level of our time. This government came into power. It has attacked one schedule after the other—nervously it is true, with vacillation it is true; only in one single case going the length to which the keeping of their pledges would have carried them—but in every instance with disastrous effect to this Dominion, and with profit in no instance to any class of our people.

I am going to discuss just a few of the steps taken and the consequences thereof. It has been said that the steel industry is fundamental; that the progress of iron and steel manufacture is the barometer by which a general industrial advance is shown. I have before me a table which I shall ask to be included in this speech in Hansard.

The table referred to is as follows:

Period	Pig iron production relative to 1913		Steel Ingot production relative to 1913	
	United States	Canada	United States	Canada
1913 monthly average	100	100	100	100
1914 " "	75	69	75	71
1915 " "	97	81	103	87
1916 " "	127	104	137	122
1917 " "	124	104	144	149
1918 " "	126	106	142	161
1919 " "	100	81	111	89
1920 " "	120	96	135	106
1921 " "	54	60	64	64
1922 " "	87	38	114	47
1923 " "	130	87	144	85
1924—				
January	118	76	144	47
February	120	71	151	82
March	135	93	166	108
April	126	100	132	120
May	102	101	104	124
June	79	68	81	79
July	70	55	74	60
August	74	27	101	26
September	80	27	112	21
October	97	35	123	23
November	98	27	123	26
December	116	27	141	30
	1,215	707	1,482	746
Average 1924	101.2	58.9	123.5	62.1
1925—	101.2	58.9	123.5	62.1
January	132	33	166	31
February	126	34	148	42
March	140	76	166	124
	398	143	480	197
Average 1925, 3 mos.	132.6	47.6	160	65.6

In this table showing the production of pig iron and steel ingots the production of the year 1913 is taken as par—100 in Canada, 100 in the United States. Let me point out briefly what these figures demonstrate. When we reach the year 1921—the year of very general depression, the year of collapse from the war inflation, collapse which was universal—the United States dropped in pig iron from 120 the year before to 54; Canada from 96 to 60. Even in 1921 Canada, relative to 1913, was somewhat better than the United States. In 1922 the figure for the United States is 87; for Canada, 38; in 1923 the United States, 130; Canada, 87. I ask hon. gentlemen to note that the United States enjoyed a period of great prosperity, a boom, in the year 1923, and to note correspondingly that Canada enjoyed nothing of the kind. As showed by this barometer Canada was still 13 per cent below her pre-war production; the United States was 30 per cent above.

For 1924, the pig iron production is given month by month. I ask special attention to those figures. The average for the year, it will be discovered is, for the United States, 101.2; for Canada, 58.9. It will not be difficult to observe that 101.2 is a considerable percentage below the boom figures of the United States for 1923, but they enjoyed that wave and we did not; we were still below the normal still far below the pre-war average. But we dropped from 87 in 1923 to 58.9 in 1924, and you, Mr. Speaker, will recall that in the spring of that year, 1924, this government, under the guise of lowering taxation as they called it on "instruments of production," fixed a certain level of duty for those instruments of production and they virtually wiped the whole duty off the steel and other materials which went into those implements.

The figures for steel ingot production show for the United States, in the whole year 1923, an average of 144, being 44 per cent above pre-war; and Canada 85. This is a further evidence that the wave of prosperity which followed the introduction of the Fordney-McComber tariff of 1921 did not reach this country at all; we managed to escape it by this policy of lowering the tariff on the "implements of production," but from those averages of 1923 the United States gained for the first three or four months, then went somewhat lower, and gained again during the entire balance of the year. The average for 1924 in the United States was 123.5, almost a quarter more than pre-war. The average for Canada was 62.1, or just about half the average in the United States, and 32 per cent less than pre-war production.

Now, perhaps someone is thinking that it may be better in 1925. I have succeeded in getting the figures for the first three months, and the figures for March are much higher in Canada. I made inquiries to find out why, and the answer was this; that it was due wholly to orders placed by this government for cars, rails and the like. I do not say that that is an improper action, but I do say that the inflation of production which results is necessarily temporary and to an extent, artificial. But take it all into account: I give the figures by months for 1925. The average for the United States was 132.6, and the average for Canada 47.6. This does not seem very "substantial progress," to use the words of the Minister of Trade and Commerce. In ingot production the figures correspond;—average for the United States, 160, and for Canada, 65.6.

There is another circumstance associated with this industry to which I call attention. It illustrates the considered, consistent, deliberate and determined American policy. The

United States are shipping to this country close to 30,000 tons of pig iron per year; we are selling there about 3,000 tons. And because of that 3,000 tons, because of the possibility or the likelihood of Canadian producers selling below a fair level in the American republic, and the industry there suffering unfair competition, the United States government on the 25th March, issued an order which amounts to a virtual embargo against the shipment, even over the American duty, of any more pig iron from this country. What they did then is simply symptomatic of what is done over a long range, indeed the entire range, of manufactured goods—if the tariff is not enough, one obstacle after another is added. They provide as to pig iron that every car shall carry with it a bond of the manufacturer protecting the American government against any infraction of their regulations, that the American officials can go to the books and stay at the books of our manufacturing firm, superintend every shipment, and further shall examine business done in Canada with a view to the ascertainment of the sales prices and other conditions here. It does not require any stretch of the imagination to see that these conditions are intolerable, and I add this: at a time when that regulation went on, our production was 47 per cent of our pre-war production, the Americans' production 132 per cent of pre-war production; and not only so, but we are producing—for I have the figures here—less than one-fiftieth of the pig iron production of the United States. Their population is about thirteen times our own population, and their pig iron production is fifty times as much. Their exportation to us a small country is ten times what ours is to them a very large country; and not content with a protective tariff against our goods they put upon us virtually an embargo. I ask hon. gentlemen to contemplate the situation where in the face of such a thing two parties in Canada state that such a condition of affairs is all right for this Dominion and that it is giving the Canadian producer a chance for his life in world competition—two parties who still boast that their policy is fixed in the direction of a lower tariff on goods produced in this country.

I pass from this to a discussion of the position as respects woollens—the same argument will apply in a varied degree to all production. This government in the spring of 1922 made reductions in the woollen schedules in what is known as the British preference tariff. This was followed again by further reductions in 1923, and in the fall of 1923 the French treaty gave similar concessions to French importations and as well that of all countries enjoying the favoured nation privilege. These three invasions of a schedule already low have had some results in Canada. May I digress just to give from the table which I shall furnish a few illustrations of what other countries were doing while we were taking this course?

I give the countries which very closely affect us: Australia, United States, France and Japan. I will give some individual instances and I will place the whole schedule on Hansard. We had a tariff on binders and mowers of 12½ per cent. This parliament, in its wisdom, thought this tariff was too high and reduced it to 6 per cent. While we were doing that, Australia raised her tariff on the same goods from 5 per cent to 45 per cent. Japan did not change hers; it was already 20 per cent. France increased hers more than six times over. On cultivators we reduced our tariff from 15 per cent to 7½ per cent, while at the same time Australia raised hers from 25 to 30 per cent and France multiplied her tariff twelve times over. No country whatever reduced its tariff on cultivators. While we were reducing our tariff on ploughs from 17½ per cent to 10 per cent, Australia raised her 25 per cent tariff to 30 per cent and France multiplied her tariff twelve times. While we were reducing the tariff on various other implements from 20 to 10 per cent—we thought 20 per cent was too high—Australia decided that a tariff of 25 per cent was too low and she raised it to 30 per cent. The United States made no change; France increased hers from 23 francs to 228 francs per 100 kilogramms. As regards logging and sawmill machinery, this great "implement of production," where we "suffered" under a tariff of 27½ per cent which this government reduced to 20 per cent, Australia decided to raise a 30 per cent tariff to 40 per cent, the United States raised a 20 per cent tariff to 30 per cent and France raised a 15 franc tariff to 128 francs. On boots and shoes where we reduced our preferential tariff—which is the effective tariff because from that direction the competition comes—from 20 per cent to 15¾ per cent, Australia had against Great Britain a 35 per cent tariff which she did not consider too high and left as it was, but she had a 40 per cent tariff against the rest of the world and she raised that to 45 per cent. France increased her tariff on boots and shoes ten times over. On cotton piece goods when this country reduced its tariff

to 20 per cent, Australia put no preferential tariff on those articles. She has not gone into fostering that manufacture, but I venture the suggestion that it will not be long until she will. She raised her tariff against the rest of the world from 5 per cent to 15 per cent. The United States raised her tariff, which formerly ranged from 7½ per cent to 30 per cent, to a range from 10 per cent to 44 per cent. France multiplied hers from 7½ to 15 times according to the article. While we were reducing our tariff on woollen piece goods from 30 per cent, the highest it was, to 24.8 per cent, Australia left her British preferential tariff at 30 per cent and she raised her general tariff from 35 per cent to 45 per cent. The United States increased theirs from 30 cents a pound and 40 per cent to 40 cents a pound and 50 per cent. Japan multiplied her tariff twice over and France multiplied hers twelve times over. On knitted goods our tariff of 22½ per cent was reduced to 18 per cent. Australia had a 40 per cent British preferential tariff and she kept it where it was, but she raised her general tariff from 45 per cent to 55 per cent. The United States raised theirs from 36 cents per pound and 30 per cent to 45 cents per pound and 50 per cent. Japan raised her tariff 100 per cent and France multiplied hers from 6½ to 12½ times.

As regards woollen wearing apparel, we had a tariff of 30 per cent which was reduced to 24¾ per cent. I refer to the British preferential tariff. Australia had a 40 per cent British preferential tariff which she left where it was, but she raised her general tariff from 45 per cent to 55 per cent. The United States raised her tariff from 24 cents a pound and 40 per cent to 45 cents a pound and 50 per cent, virtually a 100 per cent tariff. Japan raised her tariff 100 per cent and France increased hers twelve times over. As regards cotton wearing apparel, while we reduced our tariff from 25 per cent to 20¼ per cent, Australia kept her British preferential tariff of 40 per cent where it was and increased her general tariff from 45 to 55 per cent. The United States raised their tariff from 30 to 35 per cent and France multiplied hers thirteen times. As regards silk wearing apparel, while we reduced our tariff from 30 per cent to 27 per cent, Australia left her 40 per cent British preferential tariff where it was and increased her general tariff from 45 to 55 per cent. Japan increased hers 100 per cent; the United States increased theirs from 50 per cent to 60 per cent, and France multiplied hers twelve times over.

The table referred to is as follows:

SOME REDUCTIONS IN CANADIAN TARIFF RATES SINCE THE WAR COMPARED WITH INCREASES WHICH OTHER COUNTRIES HAVE MADE ON THE SAME ARTICLES

Article	Canada			Australia			Article	United States	Japan	France
	—	Br. Pref.	General	—	Br. Pref.	General				
Mowers, reapers and binders	Reduced—			Increased—			Mowers, reapers, and binders.	Free (no change)	20% (no change)	Increased— From 15 fr. per 100 kil. To 96 fr. per 100 kil.
	From	12½%	12½%	From	Free	5%				
	To	Free	6%	To	30%	45%				
Cultivators, harrows, etc	Reduced—			Increased—			Other agricultural implements and machinery (including cultivators, harrows, ploughs, threshers, etc.)	Free (no change)	20% (no change)	Weighing 400 kil. or over: Increased— From 15 fr. per 100 kil. To 182·4 fr. per 100 kil. Weighing less than 400 kilos:— Increased— From 23 fr. per 100 kil. To 228 fr. per 100 kil.
	From	10%	15%	From	20%	25%				
	To	Free	7½%	To	20%	30%				
Ploughs	Reduced—			Increased—						
	From	12½%	17½%	From	20%	25%				
	To	5%	10%	To	20%	30%				
Threshing machines	Reduced—				Free	10%				
	From	12½%	17½%		(no	change)				
	To	5%	10%							
Various agricultural implements	Reduced—			Increased—						
	From	12½%	20%	From	20%	25%				
	To	5%	10%	To	20%	30%				
Other agricultural implements	Reduced—			Increased—						
	From	12½%	20%	From	25%	30%				
	To	5%	10%	To	22½%	35%				
Sawmill machinery / Logging machinery	Reduced—			Increased—			Sawmill machinery	Increased— From 20% To 30%	20% (no change)	Increased— From 15 fr. per 100 kil. To 128 fr. per 100 kil.
	From	15%	27½%	From	25%	30%				
	To	10%	20%	To	27½%	40%				
Boots and shoes	Reduced—			Increased—			Boots and shoes	Free (no change)	Increased— From a rate of 134 and 135 yen per 100 kin To 100% ad val.	Duties have been increased ten-fold.
	From	20%	30%	From	35%	40%				
	To and further 10% discount from 17½% rate 15¾.	17½%	30%	To	35%	45%				
Cotton piece goods, various	Reduced—			Increased—			Cotton piece goods	Varying rates, formerly ranged from 7½% to 30% now range from 10% to 44%.	Varying rates (no change)	Duties 7½ to 15 greater than formerly.
	From	15%	25%	From	Free	5%				
	To	12½%	25%	To	Free	15%				
	Reduced—									
	From	17½%	25%							
	To	15%	25%							
	Reduced—									
	From	25%	32½%							
	To and further 10% discount from 22½% rate 20%.	22½%	32½%							
Woollen piece goods	Reduced—			Increased—			Woollen piece goods	Increased— From 35% to From 30c. lb. and 40% To 45c. lb. and 50%.	Increased— From 50 and 70 yen per kin. To 100% ad val. in the case of velvets, plushes and pile fabrics.	Duties 9 to 12 times greater than formerly.
	From	30%	35%	From	30%	35%				
	To and further 10% discount from 27½% rate 24·8.	27½%	35%	To	30%	45%				

SOME REDUCTIONS IN CANADIAN TARIFF RATES SINCE THE WAR COMPARED WITH INCREASES WHICH OTHER COUNTRIES HAVE MADE ON THE SAME ARTICLES—*Concluded.*

Article	Canada			Australia			Article	United States	Japan	France
	—	Br. Pref.	General	—	Br. Pref.	General				
Knitted goods	Reduced— From.... To..... and further 10% discount from 20% rate 18.	22½% 20%	35% 35%	Increased— From.... To.....	40% 40%	45% 55%	Knitted goods.....	Increased— From 35% to From 36c. and 30% To 45c. lb. and 50%.	Some specific rates, some dutiable at 40% and 50%. In many cases these rates have been increased to 100% ad val. Others unchanged.	Duties 6½ to 12½ greater than formerly.
Wearing apparel, wool	Reduced— From.... To..... and further 10% discount from 27½% rate 24¾.	30% 27½%	35% 35%	Increased— From.... To.....	40% 40%	45% 55%	Wearing apparel, wool	Increased— From 35% to From 24c. lb. and 40% To 45c. lb. and 50%.	Some specific rates, some dutiable at 40% and 50%. In some cases these rates have been increased to 100% ad val. Others unchanged.	Duties 12 times as great as formerly.
Wearing apparel, cotton	Reduced— From.... To..... and further 10% discount from 22½% rate 20¼.	25% 22½%	35% 35%	Increased— From.... To.....	40% 40%	45% 55%	Wearing apparel, cotton.	Increased— From 30% To 35%	Same as above.	Duties 13 times as great as formerly.
Wearing apparel, silk	Basic rates unchanged but there is a 10% discount from 30% rate 27.	30%	37½%	Increased— From.... To.....	40% 40%	45% 55%	Wearing apparel, silk..	Increased— From 50% To 60%	Same as above except that in the case of silk clothing more articles have been made dutiable at 100% ad val. than in the case of woollen or cotton clothing.	Duties 12 times as great as formerly.

This serves to illustrate the position which we occupy to-day in our tariff structure relative to those great competing countries. What has been the consequence on the woollen industry? The United States to-day import in woollen goods just about one-half of what Canada imports, and Canada has about one-thirteenth of their population. The United States use about a square foot and a quarter of imported wollens per capita, while Canada Imports about thirty-two square feet per capita. Woollen and worsted imports have been increased from $29,000,000 in 1921 to $38,000,000 in 1922 and $40,700,000 in 1923. The figures for 1924 are over $39,000,000 and close to $40,000,00.

4 p.m.

There is another feature which must not be lost sight of. While these increased woollen importations have been coming, the actual manufacture from woollen raw material in Canada has very seriously diminished. If we add our imports of raw wool noils, tops and the like, to our home raw wool production and deduct our exports of the same goods, we find that, in the last year alone, the use for manufacture of this raw wool in Canada declined from 45,354,034 pounds to 35,167,122 pounds, a reduction of more than 20 per cent—this all going on at a time when woollen importations are increasing and at a time when, as every hon. member knows, woollen operatives have either gone or are walking our streets in thousands, and those who are occupied are, for the most part, on part time and consequently small pay. While this is going on, the wages in those countries which sell us those woollens run from $3 to $3.50 per week while we are compellable to pay in Ontario, for example, under the wage laws of that province, to female operatives, who constitute more than fifty per cent of the whole number, a minimum of $10 per week for those who have had one year's experience, and $8 and $9 per week, for the first and second six months, respectively. These are the compellable wages in Canada, and if memory serves me right, they are compellable by virtue of legislation passed by the late Progressive government of Ontario. While our industries are forced to pay this scale of wages, and rightly so, other countries on one-third, sometimes one-quarter the rate, are permitted to send goods in here over a tariff of 15¾ per cent. It passes my comprehension how there could have been any possible result save precisely that which we have encountered.

We are importing $125,000,000 worth of textile goods, all told. If we made as much of these goods as we have machinery installed in Canada to make, we would employ men and women drawing wages of over $100,000,000. In the manufacture of woollens and worsteds alone, if we employed the machinery we have installed and the capital we have invested, our 21,000 people now employed in that branch would be multiplied by two.

[Mr. Meighen.]

Mr. CRERAR: How much would their earnings be?

Mr. MEIGHEN: I did give their earnings. I stated we would be paying out $100,000,000 more in wages over the whole textile area if we utilized the textile machinery and plant that we have in Canada to-day.

Mr. CRERAR: Where would they sell the product?

Mr. MEIGHEN: To Canada. We are buying it now. We would sell it to the same people that our competitors are selling it to to-day, right within the borders of this country for the importation, as I gave it, is $125,000,000.

I pass to other industries. Last year in the wisdom of this government we took off entirely the duty on fertilizers. This is the only article where their courage enabled them to go the whole length of their pledges. The Prime Minister (Mr. Mackenzie King) said he did not think injury had been done to any industry whatever by the tariff alterations of last year. The member for East York (Mr. Harris) placed upon record in his budget speech accounts of one industry after the other which had been compelled to close up. I wrote to the various industries in Canada, and only in one case, did I get a reply save such as definitely established most substantial reduction of operation, and in no case any reduction of price whatever. The member for East York put on record figures taken from the Department of Agriculture—they appear in his speech; I will not put them in mine—to show that since that duty went off the actual price of fertilizers in Canada has increased in all or nearly all the various branches of its production, and the increase has taken place at a time when the general level of fertilizer costs has been reduced in the world's market. At a time when the level at Baltimore, the central market for fertilizer on this continent, went down from $3.50 to $3.25, we in Canada having wiped away one industry after the other found our farmers paying higher than they had paid when the industry in this Dominon was active and employing many men.

Mr. ROBB: Perhaps the right hon. gentleman can clear this up: that being so, why did those industries in Canada go out of business? They were getting more for their product then than they were before.

Mr. MEIGHEN: They were getting less for a short time until they went out of business or had to contract their output. The Acting Minister of Finance (Mr. Robb) knows just as well as I do that once you shut off a market from your competitor and give it to the home producer, the home producer, if he never raises his price at all, has an advantage which he had not before, and can extend that advantage to his customer. That advantage was denied him by the minister's conduct, and the diminution of production increased the unit cost of the home manufacturer. I have dozens of letters, but I do not want to delay the House by reading them. I will select one letter to put on Hansard, and I will put any others on, or extracts from them, just as the House desires. This letter is from the Triangle Chemical Company of New Westminster, B.C.:

We have your letter of the 12th, and would say that such legislation as the tariff reductions of last session as applied to the fertilizer was unnecessary, foolish and harmful. You are aware that formerly all raw materials for fertilizers such as muriate and sulphate of potash, raw phosphate rock either crude or ground, nitrate of soda, basic slag, sulphate of ammonia, bone meal, etc., all came in duty free. The only impost was the small matter of 10 per cent on superphosphate and manufactured fertilizers. The exemptions were quite all right, and in the interests of agriculture, but the 10 per cent on the two items was really too low to provide adequate protection, and to remove this little protection was in the writer's opinion absolute folly, and hurtful both to the manufacturer and the farmer. On our very limited market here we know of at least 100 tons superphosphate, and 200 tons of mixed fertilizers which have been imported. This has not made a saving of a single dollar to the grower, but has simply shortened up production to the manufacturers to that extent, and made it more difficult for us to exist.

You will understand that firms on the Atlantic seaboard of the United States can produce superphosphate at a very low cost. They are close to the phosphate mines of Tennessee and Florida, they can buy sulphur from the mines of Texas and Louisiana at a very low laid-down price, and can therefore make cheap sulphuric acid, and they have a very great market close at hand to help keep down production costs. When such firms have a surplus they are always ready to "dump", and with the present low ocean freights it is easy for them to get below a price we can profitably make. This gives a flock of middle-men who have no equipment other than a book and pencil a chance to offer competition to the factory, and as said before it does not save the farmer here one dollar, but simply cuts into our production. Imagine what would happen if this fool legislation should succeed in putting us out of business. The farmer would have no regular source of supply, and brokers and foreign makers would not be slow to seize the chance of making the Canadian farmers pay excessive prices.

The writer will frankly admit that he has always been a Liberal, but this nonsense makes one begin to have other views, especially where our government seems anxious to make a grand-stand play by passing, such ill-considered, and ill-advised legislation.

Every letter received, save one, was to the same effect, and the exception was a special case.

Mr. MACKENZIE KING: Has my right hon. friend the letter he sent to which that was the reply?

Mr. MEIGHEN: I have the letter, and will put it on Hansard.

Mr. CAHILL: What is the date of it?

Mr. MEIGHEN: The 12th of April. I wrote similar letters to manufacturers of farm implements. Their replies were along the same line in every case, I think, but one, and I am not sure as to that; but I have not the file before me.

Mr. MACKENZIE KING: What was that one?

Mr. MEIGHEN: I do not recall; it was not important.

Mr. MACKENZIE KING: Perhaps my right hon. friend would put the file on Hansard?

Mr. MEIGHEN: I am sorry to say that in some way the file has got out of my office. I do not know how, and I do not want to cast any aspersions.

Mr. CRERAR: I did not take it.

Mr. MEIGHEN: I do not think the member for Marquette (Mr. Crerar) would be influenced by any file. I am afraid he is in the class described by his leader (Mr. Forke) in his speech on the budget—those who cannot by any process of reasoning be made to agree with the protectionist doctrine.

Mr. CRERAR: That is too pessimistic.

Mr. MEIGHEN: I do hope, however, that if reason fails experience may succeed. I read the following, which in substance was included in the letter from the same writer to myself. It appeared in Industrial Canada of January, 1925, and is written by Arthur F. White of the firm of George White & Sons Company, Limited, London:

Conditions in connection with the farm machinery trade in our locality could not be worse. We are simply marking time until such time as there is a guarantee of some stability in the tariff and the present buying power of the farmer improves.

Production of farm machinery has been reduced fully 50 per cent in 1924, partially owing to the tariff, and partially to general conditions.

Farm products are selling at a good price on the local markets, but the purchasing power of the general public is greatly reduced owing to so much unemploy-

ment. If there was a reasonable protection on farm machinery, the unemployment situation would be greatly improved.

And I read this from Mr. Gigax, manager of the Matthew Moody & Sons Company, of Terrebonne, Quebec:

In our case, irrespective of the fact that we had a larger organization than in the previous year—

That is, in 1923.

—our sales were only 25 per cent of what they were that year, due to the matter of advanced datings, long terms and cuts in price that were made.

With reference to our Quebec business, due to the fact that special tools used only in this territory are largely sold, the effect has not been so marked, excepting that we are only running with approximately one-half the number of men, due to lack of sales.

In every community where there is an agricultural implement factory, there are hundreds of idle men; in our town 50 per cent of the population is idle.

Mr. MACKENZIE KING: I am not quite sure from whom that first letter was that my right hon. friend read.

Mr. MEIGHEN: Arthur F. White. It was not a letter; it was an article, I said, in Industrial Canada.

Mr. MACKENZIE KING: Is it the member for London?

Mr. MEIGHEN: Oh, no relation at all. The hon. gentleman does not need to look to relatives, but I could quote from many relatives of hon. gentlemen opposite directly against my right hon. friend's policy. If I could speak the minds of many a one opposite I could quote them directly against his policy, too. My eye is on some of them at this very minute.

Mr. ROBB: Before my right hon. friend leaves the agricultural implement business—

Mr. MEIGHEN: I may say I referred among others to the hon. Acting Minister of Finance (Mr. Robb).

Mr. ROBB: Perhaps his correspondance would explain why it is that there were $5,000,000 less imports from the United States in 1925 than in 1924 and there were $2,000,000 greater exports.

Mr. MEIGHEN: Yes, there were less imports and there was less home production as well. They were all coming down, and that is the significance of the policy. It is not wholly the consequence; I know there was less farm production last year and there was less need of increased implement provision. But the home production went down to a greater degree than did the importation.

Mr. ROBB: But the exports; how do you explain that?

[Mr. Meighen.]

Mr. MEIGHEN: Well, the exports had gone down to nearly nothing. Certain industries in Canada did get some orders last year, but I have letters from at least one of those who got them, and the prospect for the future which these letters hold out is anything but bright, and the castigation of this government in those letters would certainly be wholesome reading for the Acting Minister of Finance. And what is more, the larger orders would be taken the year before, and before the reduction of last year took place.

Now, what are the general results of what has been going on? I took up when I spoke last the question of industrial failures in our country—I mean failures of manufacturing industries. I showed that according to R. G. Dun and Company, in two years and a fraction, up to the 20th of August of last year, the date on which I spoke in Stratford, there had been something over 2,000 failures. At the time the Prime Minister answered me by saying—and perhaps the same answer is coming again—

Mr. MARLER: Did my right hon. friend say, manufacturing industries?

Mr. MEIGHEN: Yes, manufacturing industries.

Mr. MARLER: Alone?

Mr. MEIGHEN: Alone, and I have the data here to furnish my hon. friend.

Mr. MARLER: Would he give the figures again?

Mr. MEIGHEN: Yes I can give them. The number in 1922 was 792, and in 1923, 857, a total of 1,649. The proportion of the 1924 figure—625—which would take place prior to the 20th of August was 399, a grand total of 2,048.

Mr. MACKENZIE KING: May I ask my right hon. friend how "manufacturing industry" is defined, and to give us the number of employees?

Mr. MEIGHEN: That was the line the Prime Minister went on by way of reply. He would assume that R. G. Dun and Company did not know what a factory is and took into account concerns so small that they should not be counted. Well, I would rather fancy that R. G. Dun and Company, in making up their statistics, would make them up on such a basis that they would mean something, not mean nothing.

Mr. MACKENZIE KING: Tell us the basis.

Mr. MEIGHEN: I do not know what the basis is, but I do know that the United States are taken on precisely the same basis by the same firm, and the United States in the last three years had an average failure of manufacturing concerns of 44.3 per million while we had 84 per million, almost twice the number.

Mr. MACKENZIE KING: Will my right hon. friend tell the House something about the variety of the causes of these failures?

Mr. MEIGHEN: Yes, I think I can tell the House. The usual cause is lack of money, owing to lack of business. I know we had lately a lesson in economics from the Minister of Justice (Mr. Lapointe); he read some figures to show that these failures were not due to the tariff at all. He read figures to show that several hundred were due to "want of capital." Well, I wonder why they "wanted" the capital? If the industry were flourishing, would capital be wanting? If the business were there, would the capital not be obtainable? Most industries fail for lack of capital. But why is capital lacking? Capital is lacking because government policy has reduced them to a state where they cannot get the money.

Mr. MARLER: May I ask a question?

Mr. MEIGHEN: Yes.

Some hon. MEMBERS: Oh, oh.

Mr. MARLER: Must the hon. member for South Simcoe (Mr. Boys) begin roaring when I ask a question of the leader of the opposition?

Mr. BOYS: The hon. member for South Simcoe is paying no attention to you.

Mr. MARLER: To what policy does my right hon. friend attribute failures to the extent of 857 in the calendar year 1922?

Mr. MEIGHEN: Because there should have been higher tariff.

Mr. MARLER: Oh; he should have been putting a higher tariff into effect?

Mr. MEIGHEN: There should have been one put on in the spring of 1922 after the American tariff was known. It was because of failure to enforce the policy which my hon. friend himself demanded in this House.

Mr. MARLER: Will my right hon. friend—

Some hon. MEMBERS: Order.

Mr. BOYS: Sit down. You make us tired.

Mr. MARLER: Let us be reasonable in discussing this thing; let us not act like children. If my right hon. friend does not desire me to ask a question—

Some hon. MEMBERS: Order.

Mr. MEIGHEN: Well, get to the question as soon as possible.

Mr. MARLER: I say this to my right hon. friend: in all fairness, how could a policy engendered in 1922 have affected policies in 1922? It is only possible for a policy to have effect after it is put in force, not before.

Mr. MEIGHEN: I would think so, yes.

Mr. MARLER: These failures were the result of policies before 1922.

Mr. MEIGHEN: The hon. gentleman's idea of an interrogation is about the same as his idea of consistency. One would think the fall of 1922 and the summer were after the spring. I think the hon. gentleman also has business acumen enough to know that the effect or tendency is seen at once.

Mr. MARLER: Not at all.

Mr. MEIGHEN: It is not? I wonder if there was no effect in the city of Montreal when the announcements of 1922 were made, no effect when the announcements of 1923 were made? There was an effect on the hon. gentleman himself.

Now, as to the unit capital of these failures: In 1924 the average liability per failure in the United States was $55,083, and in Canada $58,467, showing that the average industry which failed in Canada in that year was larger than the average in the United States. Over the whole three years the average in the United States was $49,838 and in Canada $48,069, showing clearly that the same type of industry is considered in each, and showing indisputably that Canada, relatively to its competitor, under the tariff policy of hon. gentlemen opposite, has suffered and suffered grievously in its industrial life.

Now to proceed to one or two facts. Hon. gentlemen say: Oh, but look at our exports, they are greater than before; look at the amount we are selling, and look at our imports. They are now taking credit because those imports are reducing. The imports are reducing. Exports in a year of large harvests or large prices increase, and the government and government policy have little or nothing to do with either. But the kernel of the thing is this, as illustrated in some excellent material provided by the same member for Toronto: The character of our exports is in the main

raw material; the character of our imports is manufactured goods. The analysis made by the hon. member shows that for the year 1923, of our exports in wood and wood manufactures 64 per cent was raw material, and only 36 per cent goods partially or wholly manufactured; and in the sphere of non-ferrous metals, our exports were 77½ per cent raw material, and only 22½ per cent manufactured. In our imports the very reverse is the case. In wood and wood products only 27 per cent of the importation was raw material to be used for manufacture here and 73 per cent manufactured goods; and in non-ferrous metals 13 per cent of our importation was raw material and 87 per cent manufactured goods. I wonder if those facts sink into the mind of the Acting Minister of Finance. They illustrate the whole character of our trade.

Mr. ROBB: My hon. friend has been quoting the figures for 1923. Is he going on to bring the figures up to date, for 1924 and 1925?

Mr. MEIGHEN: I am coming to 1924. In 1924 our imports went down some $93,000,000. When a country is struggling, its imports usually go down, but what accounts for the diminution? Does it show better figures would obtain in 1924? It shows that worse figures would obtain. In non-ferrous metals alone the reduction of our importations of raw or slightly manufactured goods, which are the goods used in Canadian factories where men are employed, was from $145,000,000 to $107,000,000, or almost half the whole reduction in importation, a reduction of twenty-eight and a fraction per cent in that one line of raw material alone, and the largest reduction in any other single sphere, that is, reduction applicable to manufactured goods, was six and a fraction per cent. This indicates that the story of 1924 is not any more heartening, indeed less so, than the story of 1923.

Now what would one expect to be the visible consequence of a course such as this? Let us look around and see. What are the consequences on railway traffic? The resolution which I move declares that a reversion of policy in this regard is necessary for the sake of traffic in Canada, and in order that in the transport of our goods there may be some prospect of a reduction of rates. Those consequences are revealed in the speech of the hon. member for West York (Sir Henry Drayton). As every hon. gentleman knows, the traffic carried by Canadian railways in 1924 went down by from nine to ten million tons. Of that reduction 2,300,000 tons is accounted for by a lower crop return, a lower gross production of grain; for that the government is in no way responsible. The balance, though, is accounted for by something else altogether, an actual reduction of goods produced in our country, resulting in a reduction of traffic in Canada. I have before me some of the figures used by the hon. member for West York, and it is worth while, I think, placing them again on Hansard.

The hon. member showed that the reduction in iron ore tonnage was some 443,000 tons; in rails and fastenings, 50,000 tons; in pig iron and bloom, 275,000 tons; in iron pipe and structural iron, 639,000 tons; in castings, machinery and boilers, 144,000 tons; in coke, 266,000 tons; miscellaneous manufactures, 844,000 tons; lumber, timber, box shooks, staves and headings, 835,000 tons. In a word, the reduction varies from 18 per cent on rails and fastenings to 43 per cent on iron, pig and bloom, up as high as 72 per cent on iron ores. Thousands of railway employees lost their positions. This is some illustration of the effect of Canadian business in general of the contraction which has followed in years of either large crops in Canada or large prices in Canada from the policy pursued by this administration.

But these effects are visible in other forms in still more distressing degree. I come to that phase of our troubles which illustrates the results more poignantly than anything else. Canada always has had a struggle to maintain her population. Competing with a country of vast industrial development, that struggle has been no light one through the whole term of our history, but the conditions now, no matter how you may twist figures, no matter what letters you may read, no matter what allowances you may make, the conditions now as known to everybody are nothing short of appalling. I would like any hon. member of this House to go into any town in Canada, yes, I almost said into any countryside, and there address any good, upstanding Canadian, any intelligent person, and ask him what he has witnessed in the last two or three years in this Dominion. Ask him whether his neighbours are going south, or whether the southern people are coming here. Present to him all the statistics you like; read him the whole speech of the Minister of Labour—the minister shudders before the prospect—do all these things, and then ask him what he has actually observed, and what is going to be his answer? Go outside the walls of this House and speak to the Canadian citizen; ask him what is happening on his own street, ask him what is going on in

his nearest industry, ask him what indeed is taking place in his own family. Will he tell you of the boy who could not get work in the United States and came back here to get a fine job? How many cases of that kind would you discover? There is no use talking about 4,000 a month coming back from the United States. Let us find where the 4,000 are. Does the Minister of Labour meet them and shake them by the hand? I do not see them. The figures given from the records of the United States government by the member for Parry Sound (Mr. Arthurs) cannot possibly be controverted, if indeed, figures are necessary at all. There they make every allowance for those who return; they make every allowance for everything that can be recorded in government statistics, and they show that in the fiscal year 1923 there was a net loss to Canada in favour of the United States of 102,520, and in 1924 a net loss of 181,194. These figures, relative to our population, are appalling. But they do not tell the whole story. We all know that under the American law the alien immigrant from Canada cannot get into the United States—he has to be smuggled in. We know, as well, that the Canadian born cannot get in himself save by paying a head tax and he avoids it; a large number surreptitiously enter that country. Those three classes have to be added together to get the total. I hesitate to give what the investigations which I have looked into show to be that total. You cannot get them from government statistics because there are no records of smuggled aliens, there are no records of the surreptitious entrance of Canadian-born. The New York World—which would not be described as a Tory organ, I hope—conducted an investigation into this question. The investigator went into the various centres of this country, calling on American consuls in particular, and obtained the best data he could, and anyone who reads his articles will see that he was very thorough in the work he did. In the issue of that journal of Wednesday, May 13, I read the following—but first of all this investigator expresses the belief that the earnings from smuggling aliens from Canada into the United States in 1924 would amount to $10,000,000.

Mr. FORKE: Does not the right hon. gentleman think if possible that a number of those aliens who were smuggled into the United States came to Canada with that intention?

Mr. MEIGHEN: I think so, and the investigator says so. Of that I do not think there is a doubt, but I am not able to see how it throws very much sunlight—

Mr. FORKE: They did not leave Canada because things were not good in Canada. They left this country because they never intended to stay.

Mr. MEIGHEN: Why did they never intend to stay?

Mr. FORKE: Well, I suppose—

Mr. MEIGHEN: This article goes on to say that more than 106,000 European immigrants entered Canada last year.

Mr. WARNER: Do you think they should be counted among the population of Canada?

Mr. MEIGHEN: Well, they are lost to us. If they had stayed here they would be here.

Mr. WARNER: But supposing they were smuggled in here and went over there?

Mr. MEIGHEN: The hon. gentleman will see the significance in a minute if he listens to this quotation. They were not smuggled into Canada by any means; they were regularly entered immigrants that we paid high for and lost.

An hon. MEMBER: And that were counted in our immigration returns?

Mr. MEIGHEN: And were counted in our immigration returns. This article says:

More than 106,000 European immigrants entered Canada last year.

The exact figures of the Immigration Department are 111,000 showing the investigator was right.

A considerable number were contraband aliens actually in transit to the United States. Thousands were honest immigrants who later decided to move southward across the international line.

Labour conditions in Canada are such that it is difficult for a newly arrived immigrant to make a living, and it is safe to assume that a majority of the 106,000 aliens who entered Canada last year are now in this country.

This is a fine harvest of the immigration policies of this government.

One man, closely in touch with the situation, expressed the opinion that every one of the 10,760 Irish immigrants—

And I ask the Postmaster General (Mr. Murphy) to weep with me over this—

—everyone of the 10,760 Irish immigrants to Canada last year had either entered the United States or fallen into the hands of the border patrol.

Then the article goes on to say—and this is taken from the evidence of consuls and others—that these aliens smuggled across the New York-Vermont boundary line alone amounted to no less than 25,000 in the last six months of last year. Consider what would be the number over the whole boundary in a year and add to these the Canadians estimated by the same investigator as between 75,000 and 150,000 who go and do not pay the head tax—put these three classes together and hon. gentlemen have some conception of the consequences of policy which this government pursues.

I want to make some reference to the position of labour in this matter, and to make reply to interrogations put to me in his speech on the budget by the hon. member for East Calgary (Mr. Irvine). I believe the mass of labour understands, and just as clearly as any other portion of Canada, that a protective policy is essential in the interests of labour. I do not plead for a protective policy in the interest of farmer, labourer, employer, or anybody else. In the name of no class in Canada in particular do I plead for this policy; I plead for it in the name of Canada. But if there is one class of our population to whom it is more vital than to any other it is certainly the labour class. The manufacturer can close his doors and can open over there. He loses, perhaps, but he has something left; in a great many cases at least he has something left. When he goes not one but scores, hundreds, maybe thousands, of labouring men are left who although in no position to sacrifice their earnings, earnings that they have invested in homes, have to abandon those homes and betake themselves to another land. They are the ones who have the most at stake, the most to lose, by alienation from Canada. Mr. Tom Moore, who has been honoured by this government and therefore is one I may be allowed to quote, has written a series of very able articles in labour journals and in other periodicals as well, strongly urging upon the labour population of this country that their only hope is in the adoption of a firm and definite protective policy. Mr. Moore says:

> Labour accepts the principle of protection as a necessary corollary to the protection of their own means of making a living.

No man ever condensed the whole doctrine and purpose of protection, as applied to labour, in more vivid and faithful words. He is followed by a labour leader of the province of Quebec writing in Industrial Canada, preaching the same doctrine with the same emphasis; and certainly the bitterness, which labour has endured, the suffering these late years, has brought the workers of Canada to much the viewpoint of workers in Australia and in other lands whose level of living has been heightened by the adoption of sane fiscal principles.

The hon. member for East Calgary first of all asks "Is it the intention of the Conservative party to put in effect a definite, and really, protective policy? Are you going really to protect?" Well, if I ever gave an emphatic answer in my life I do so now when I give that question an unqualified affirmative. The Conservative party through its history has been committed to the principle; the Conservative party sees the need for the implementing of that principle in action and policy more clearly and more emphatically to-day than ever before in the history of Canada. The Conservative party has not witnessed in vain the dire consequences of the last three years of vacillation and of drift, and we are going to rescue Canada from the consequences of that shiftless and aimless course.

Mr. WOODSWORTH: Will the right hon. member tell me, is there any guarantee whatever that the protection of an industry means the protection of the interests of the employees of that industry?

Mr. MACKENZIE KING: Hear, hear.

Mr. MEIGHEN: Yes. The Prime Minister says "hear, hear", and by that "hear, hear" he intimates a belief that the protection of industry means nothing to the employee. I wonder, did the protection of the glass industry at Hamilton mean nothing to the employees there? Employees in Hamilton had to sacrifice their homes, abandon them and go away. Did protection mean nothing to the various fertilizer-workers mentioned by the hon. member for East York (Mr. Harris), those men who followed the machinery from place to place in a vain hope that their means of living would be restored? Does the Prime Minister say it meant nothing to the employees of the shoe industry of Quebec and Montreal and other towns, men who have gone already in hundreds? Or did it mean nothing to the employees of the woollen industry who had to go away in thousands?

Mr. ROBB: Will the right hon. member tell us to what extent the tariff on glass has been changed since he was in office in 1921?

Mr. MEIGHEN: I told the hon. member all about that when I spoke in this House a year ago. The tariff on glass was changed

because the Belgian franc fell low. The depreciation of the Belgian franc removed a large portion of the protection.

Mr. ROBB: It was the same Belgian franc that bought the Canadian goods.

Mr. MEIGHEN: Very good. But what has that to do with the case? The depreciation of the Belgian franc virtually removed the protection. We in our time had a clause in our tariff which protected against such depreciation. Hon. gentlemen opposite with a flourish of trumpets removed it; that is what brought down the protection on glass, and that is what destroyed an industry where $2,000,000 were invested, wiped out an industry where 600 hands were directly and indirectly employed, furthermore that is what lost to the railways of Canada 60,000 tons of freight. The hon. gentleman cannot name me one single individual in this Dominion who profited to the extent of one dollar. Because when Canadian competition became extinct the price went up. I see the hon. member for Brantford (Mr. Raymond) in his seat. I wonder if he would suggest—no he would never so suggest, I have too high an opinion of his intelligence to believe he would—that a protective tariff means nothing to labour. Does it mean nothing to the labourer of Brantford? I quote from the statement of an alderman of that city who accompanied many representatives of other cities to Toronto to try to get some help from the government there to assist the unemployed. Speaking on behalf of the city of Brantford, in the month of February, Alderman W. H. Freehorn said, as reported in the Toronto Star:

> Conditions were very bad in his town; scores of people were leaving every week.

These were not wealthy people, but these were poor people out of work. I appeal to my hon. friend from Brantford and ask if I am not right.

> As many as 300 houses could be bought at less than cost. The population had been reduced from 33,000 to 28,000. From 1,000 to 1,200 people were jobless. Hundreds of families were seeking relief. We do not know what to do about it. If we increase our tax rate we drive more people out. We're handing out doles right now. We need direct assistance as was given in 1921. We have no money to spend on public works.

I want to know if the Prime Minister will suggest that a protective tariff meant nothing to those labourers in Brantford who had to abandon, not only their homes but their country. To the extent of 5,000 according to Mr Freehorn they have left the city. I was about to answer the question put by the hon. member for East Calgary (Mr. Irvine). He said: "What are you going to do to see that too high prices are not charged in this country?" That is a very pertinent question. I know it is always in the mind of him who fears protection, and it is based on the assumption that a protective tariff necessarily increases the level of prices. No one would argue that there would not be individual cases of increased prices; but even if the cases were universal, it is far better to have a small increase of price with a job which provides the money to pay that price than to have a despairing home where nobody can find work and nobody able to pay any price at all. But the fact has been proven by experience that the general level is not increased. The assumption that it is is based on the belief that there is no effective competition within the borders of the country itself. If that assumption is correct I suppose the tendency of human nature could be relied on to get the utmost price. But that assumption cannot be correct unless the whole industry is under monopoly. Well, if we are to assume that the whole production in any industry, is under monopoly in our country, it is surely equally likely that it would be under a monopoly in the other country. If we have to live under a monopoly, I would rather it should be under a monopoly over which our parliament has jurisdiction and which it can control, than a monopoly over which we have no jurisdiction and cannot in the least control. The fact is —and surely I will be endorsed by the Minister of Labour (Mr. Murdock) in this assertion—that the industries which lend themselves to monopoly are relatively very, very few, even if the government stand aside and never interfere, and no government is going to do that. I wonder, sir, if there is any possibility, for example, of monopoly in the shoe industry of Canada. I wonder if there is any possibility of a monopoly in the woollen industry in Canada. Did anybody ever suggest that a monopoly existed there? With 1,300 firms engaged in the shoe industry, does anybody suggest that in the case of these concerns, all making their own styles and fighting for their trade, a monopoly is conceivable? But if competition should fail to keep down price, and if monopoly should raise the price, it is at least a monopoly which the government has power to regulate in the interests of the consuming public. It is far better to be under those conditions, even if they must come—and I do not for a moment concede that any industry in Canada can

be under such conditions that a monopoly can dictate prices to Canadian consumers uncontrolled by the Canadian parliament—than to be under conditions which make for unemployment. But I go further: does the experience of this country show that the raising of a tariff and the adoption of protection increases prices? Has it shown that the reduction of protection has diminished prices? Did it in the case of farm implements when there was a reduction? The reduction claimed by the Prime Minister would not equal the reduction caused by the Crowsnest freight rates and the reduction caused by taking off the sales tax. It would not nearly equal those two. We did not witness the slightest reduction in price because of a reduction of tariff. We did not, at any rate, in the case of farm implements.

Mr. WOODSWORTH: Will the right hon. gentleman tell me if the increase in prices would not suggest that there is a monopoly, or at least if not a definite monopoly, an understanding among the producers?

Mr. MEIGHEN: Not necessarily. What it suggests is this, that taking away a portion of the Canadian market and giving it to another country reduces the production in this country, therefore raises the cost of the article in this country and the other country has not as keen competition in Canada as it had before. The fact is that the reduction has not taken place.

Mr. McTAGGART: Is it not true that there was a reduction in the price of small tractors following the lowering of the duty on those tractors?

Mr. MEIGHEN: There may have been a temporary reduction, but I have figures in my office to show that as soon as the Canadian industry was extinguished, the American manufacturer got considerably more for his tractors than he did before. I should like to produce the figures to the hon. member, as I am pretty sure I could convince him. Undoubtedly this country to-day would be better off and our business in a better position if we had in Canada a tractor industry similar to what was, growing up before that error was committed.

I want to go back to the imposition of the protective tariff in the first place, and I commend hon. members to read the budget speech of 1882. If ever a Finance Minister presented to a parliament, the actual conditions of his country, financially and industrially, Sir Leonard Tilley did so in 1882. Hon. members should read as well the whole debate—I have read it—read the reply of Sir Richard Cartwright, read all the replies, and then tell me if they are not convinced that the facts stated by Sir Leonard Tilley remained undisturbed. What did he show to be the consequences after three and one-half years of the imposition of the National Policy? I call attention to those consequences chiefly as they affect the question of prices. But I refer first of all to this. He stated that notwithstanding the call for money for investment in Manitoba and the west and for application to the Canadian Pacific, in those three years alone the saving deposits of Canada increased by $36,000,000, a huge sum at that time. He went on to show that, in the case of practically all lines of articles—and he cited dozens one by one, giving his authority and his actual result—instead of an increase in price being witnessed, what was actually witnessed was a reduction. Perhaps I had better give hon. members some of the figures and these figures were undisturbed by the debate. A duty was placed upon wagons. In 1871 they sold for $64, in 1878 for $62 and in 1881, for $60. In 1878, coaches sold for $105 and in 1881, for $100. The price of covered buggies was reduced from $170 to $160. Ploughs sold for 15 per cent less, agricultural implements in general sold for from 5 to 20 per cent less. Organs sold for 15 per cent less; sewing machines sold for $10 apiece less. In fact he went through the range of important articles, boots and shoes, clothing and the like, and he found as a consequence that virtually the only instances of increased prices were for horse shoe nails and soap. This is the result of three years' application of the National Policy. Then he added that, Liberal opposition in 1878 prophesied that the imposition of that tariff would extract $7,000,000 extra from the people of Canada, of which only $2,000,000 would reach the treasury. He showed that instead of $2,000,000 reaching the treasury, the actual receipts from customs were $6,000,000 more than they had been in 1878, and that the people in Canada were paying less for their goods than they were under the tariff in force before. If hon. gentleman will follow this subject right up to this day and read the evidence given before the commission of 1921 of comparative prices in this country and in the United States, they will find that prices charged in Canada compare generally favourably with prices charged in the United States. In many cases they are lower, in some cases they are higher; but undoubtedly the total of each would not be unfavourable to this country.

Hon. gentlemen will be pleased to know that I am close to the end of what I intend to say. I have addressed myself to this task, not for the sake of castigating anyone in particular. This is a great business question. If we decide it wrongly it will be serious indeed for this country.

Mr. RAYMOND: The hon. member has referred to the industry of Brantford. If he were successful in the coming general election, would he raise the duty on agricultural implements to the figure it was at when he left office?

Mr. MEIGHEN: Undoubtedly I would, and I say so unhesitatingly. Will the hon. member support this resolution now? I hope the hon. member will support it.

Mr. RAYMOND: I cannot say that that will lead me to support it.

Mr. MEIGHEN: I say that also to the hon. member for St. Lawrence-St. George (Mr. Marler), because I recall that at least some newspapers have attributed to him the honour of the parentage of this resolution. I earnestly trust that this close relationship with it will enable him to support it.

Mr. CRERAR: If my right hon. friend were placed in that happy position which the hon. member for Brantford refers to, would he impose a duty on binder twine?

Mr. MEIGHEN: I am not going to fix a tariff to-day, but I will say to my hon. friend that I would not like to see all industry in Canada in the position in which the binder twine industry is at present. The hon. member for Springfield (Mr. Hoey), in a speech about two years ago, stated that we were making in Canada ten per cent of the binder twine we were consuming. I think the percentage has increased somewhat since that time. The binder twine industry depends very largely upon the fortunate purchase of raw material.

5 p.m.

Mr. CRERAR: So does everything else.

Mr. MEIGHEN: Yes, but I do not think any other single industry depends so largely upon it as the binder twine industry. I for one, however, witnessing as I have a like increase in binder twine prices in this Dominion to that of hundreds of other articles, would not like to see every industry in Canada to-day producing as small a percentage of general Canadian consumption as is done in the binder twine industry. If we go down to that level, what kind of a country are we going to have? Is the hon. member prepared to reduce this Dominion to a mere handful of people engaged in rudimentary production? Surely you cannot make a nation in that way. No country ever became a nation under such a plan, and certainly Canada, in the conditions which surround her, has no chance in the world under such a policy to evolve into a great nation.

A Canada-first policy involves, not only the adoption of a firm and consistent protective tariff, but the taking care, where those means are not sufficient, of Canadian raw material by other means. I am going to ask hon. members to reflect on just where we are with relation to certain materials as respects which the process of a protective tariff does not sufficiently safeguard Canadian interests. I mention first the asbestos industry. Are hon. gentlemen quite satisfied with a condition of affairs where Canada enjoying the possession of eighty to eighty-five per cent of the asbestos resources of the world sends those out almost wholly in the raw state, procures for them only $7,400,000, finds them manufactured in the United States and sold over there for $75,000,000? Are we quite satisfied with a condition where we find Canadian raw material drifting there, employing but very few in Canada, but providing material for the employment of men in forty factories of the United States? If that is all right, if that is satisfactory to the Canadian people, then nothing more can be said. If it is not satisfactory, the objective must be reached of bringing to this country the benefit of its own resources.

In the case of nickel, where we have also from eighty to eighty-five per cent of the world's supply, we sell about seventy per cent in the raw, and about thirty per cent as refined nickel, and we get for that thirty per cent something over five million dollars, or as much as we get for the seventy per cent of raw. We would not be making the thirty per cent here but for the fact that the late government brought pressure on the International Nickel Company not only to erect a factory in Canada, but to manufacture within this country at least the requirements of the British Empire. It is not because of the operation of free trade that we manufacture a pound of nickel in Canada; it is because of what was really compulsion exercised by virtue of our power several years ago upon the International Nickel Company.

We do not need to stop there. Are hon. gentlemen satisfied with a condition whereby of the pulpwood resources of this country one-third leaves the Dominion in the raw wood, one-third as pulp, and one-third as paper; and where we get about nine or ten million dollars for the raw wood, about thirty-

nine million dollars for the pulp, and about ninety-nine million dollars for the paper? Is that quite satisfactory to self-respecting Canadian people? This was brought to the attention of the government some two or three years ago, and they put through a piece of legislation giving themselves power to impose restrictions on the export of raw pulpwood. What did they do? Did they impose any restrictions? I have not heard of any. Is not the export going on to-day even faster than ever? But so far from imposing restrictions, will hon. gentlemen believe that the government took exactly the opposite course? —they passed an order in council under which they guaranteed American importers of Canadian raw pulpwood exemption from restrictions for ten years in respect of contracts made in Canada before a certain date. That was an order in council they were never authorized to pass, which this parliament never for one moment contemplated. I wonder what this government has to say for moving, and moving without authority, in a direction exactly contrary to the plain intent of parliament? To-day the export is going on still, not one step has been taken to conserve this almost irreplaceable resource of our Dominion, and the consequences are certainly not very far from us now, consequences which not only affect the industry directly interested but in a marked degree the welfare of Canadian agriculture.

Mr. WOODSWORTH: Does the right hon. gentleman consider it really very satisfactory that we can manufacture in Canada only by bringing in American capital, and then the profits go out to the American concern?

Mr. MEIGHEN: No, I think if we had proper conditions in Canada we would have capital of our own. At the present time it is mostly American capital. But even then I would rather have American capital invested here and in that way pay the excess American adverse balance against us; I would rather have that than have such adverse balance stand as a debt of this country owing to the United States. Far better have American capital come in—I would rather have Canadian capital, it is true—than the only other alternative under this policy, the existence of an unpaid and unpayable balance to the great and wealthy republic.

Mr. HOEY: I can follow the right hon. gentleman's argument in connection with pulpwood, but in view of the fact that our natural resources of nickel and asbestos are largely in the hands of American capitalists, and our home market is comparatively small for the manufactured commodities coming back, how would he prevent the exportation of these raw materials?

Mr. MEIGHEN: The market is just the same market as they have. For example, take copper. Our copper goes out something over eighty per cent in the raw. For that eighty per cent we get, I believe, 11½ cents a pound; for what we make into the first stage we get 23⅔ cents a pound. Now, those who manufacture the eighty per cent sell to Germany and to Great Britain. Why could we not manufacture one hundred per cent of our copper and sell it to the very same customers?

Mr. HOEY: What means would we take to prevent its exportation to those factories already established in the United States if they own the raw material already?

Mr. MEIGHEN: It is more difficult than it would be if the industry were in its infancy; that is true. But those industries over there have no vested right to the importation of Canadian raw material. And I want to say that the time has come in Canada—it is brought home to us by an experience very, very bitter—when we must assert every advantage we possess, and we must assert it in absolute fearlessness of retaliation or anything else.

Mr. CAHILL: Would my right hon. friend prohibit the export of pulpwood from private lands?

Mr. MEIGHEN: I would reach the objective by prohibition or by an export duty. If I could not reach it by either of those ways I would reach it by another way; but I guarantee I will reach the objective where the raw material of Canada does not go as now to the United States, there to be manufactured.

Mr. CAHILL: Would he advocate prohibition of the export of pulpwood from privately owned lands?

Mr. MEIGHEN: Whatever I applied to one land I would apply to another; and I believe it can be done with complete protection to the owner of that pulpwood. If it cannot be done otherwise, it can be done by co-operation with the provincial governments, who have absolute power of control.

Mr. CAHILL: Surely my right hon. friend does not make the statement that the provincial governments have control over timber on privately owned lands?

Mr. MEIGHEN: Undoubtedly they have.

Mr. CAHILL: Of course not. It is the purest nonsense to assert that they have.

Mr. MEIGHEN: What does the hon. gentleman mean? Who is the owner of the pulpwood?

Mr. CAHILL: No person but the owner of the land. It is nonsense to say otherwise.

Mr. SPEAKER: Order.

Mr. BELAND: The proprietor of the land.

Mr. MEIGHEN: Every provincial government has jurisdiction in relation to price, and can cure any injustice as related to price. The hon. Minister of Justice (Mr. Lapointe) knows it, and he will not contradict me for one moment.

Mr. BELAND: Does my right hon. friend contend that a provincial government can fix the price of pulpwood cut on privately owned land?

Mr. MEIGHEN: Certainly?

Mr. BELAND: In what way?

Mr. MEIGHEN: In any way it chooses. I am speaking of jurisdiction. I do not believe it is necessary, but if necessary if there is no other way it ought to be done. Are we to lie helplessly by while this is going on, throw our hands up and say, "Nobody in Canada has power to do anything"? Hon. gentlemen of the government, instead of even trying to do something, run to the side of the American importer and by order in council protect him against possible legislation in this Dominion. Are we ever going to make progress in that way?

These words apply with still greater force to power. When we export power we export people. If Canada has one resource more precious than another, it is our undeveloped power. To this government I have put the question repeatedly: Are you prepared to guarantee parliament that you will not license, save by yearly license, the export of power; that you will not license any more the export of power to be used for new industrial and municipal purposes over there? This government has not the courage to answer yes.

Mr. ROBB: What about the power now developed?

Mr. MEIGHEN: I certainly would not license the export of any more of it. If there is one thing we must conserve and fearlessly conserve it is the power resources of our country. If we have not reached a state of maturity where we can stand up to-day and say, "These are ours to legislate about as we will," then we had better simply assume a position of permanent tutelage and cease to proclaim ourselves a nation and master in our own house.

The resolution also calls for the encouragement of a policy of preference within the empire, but in every case subject to the proviso that no preference shall be given at the expense of the workers of Canada. In a word, the first and immovable consideration in the determining of every tariff, preferential or otherwise, should be that it provides what is essential by way of protection to the Canadian worker. If no preference can be given save at the expense of him, I would give no preference at all; I would follow the policy of the United States and give no preference to anybody. But such is not the case. It is possible to give preference, and not at the expense of the Canadian worker. It is possible to give preference at the expense of those who are to-day our strongest competitors and who to-day enjoy an average balance of trade in their favour of about $200,000,000 a year. For example, we are importing about $140,000,000 worth of iron and its products. Great Britain produces these in equal abundance with the United States. The price of importation from the one is virtually the same as the price from the other. Because of the nearness of the United States and the ease of doing business there, the great bulk of these products—I think it is $128,000,000 worth—come from that country. We will reach the time when we can produce these in our own country, and I would adopt measures to do so. But it will be a matter of development; you cannot do all at once, and while we are doing what we can why should not our tariff be adjusted so that the great body of that importation will come to the shores of Canada from Great Britain, that the great body of it will constitute return traffic for those vessels which now carry overseas the grains of Canada, and, in far too great degree come back without cargo at all? To the extent that we can direct our policy to an improvement of cargo conditions, to that extent shall we make it possible to reduce the charges against us on our exports. Surely it would be good for Canada, aside altogether from advantage to the Motherland herself, to divert some of the purchases from that republic into purchases from Great Britain. Yes, it is possible to give preference and to do so without invading the just rights of the Canadian workers. It must always be a case of

Canada-First and until we are ready to stand up and proclaim Canada-First and act Canada-First then we may just as well resign ourselves to this sliding back process which characterizes our drift to-day.

Mr. WOODSWORTH: As long as we have anything like an open door immigration policy, how is the Canadian worker being protected?

Mr. MEIGHEN: Well I am not in favour of an open door immigration policy, any more than I am in favour of an open door trade policy. Certainly you cannot allow everybody into this country; nobody ever suggested it. The cheapest labour of the world we ought to bar entirely, and we do bar it. I would be the last to suggest that any other policy be adopted.

Now, I say you can give preference and at the same time be just to the Canadian worker. But I do not see any reason why we should continue to give preference to anybody unless we get preference in return. I do not know what we gain by it. I do not think we advance the day of getting preference in return when we give our own preference without any result at all. We have now for some twenty-five years pursued a policy of giving preference for nothing, and we have done so at the expense of the Canadian worker in every province of Canada, and never have we done so as emphatically at the expense of the Canadian worker as we are doing right now under this government. This government has reduced British preference schedules; we are getting nothing or very little in return. It has reduced the French schedules, and instead of getting nothing we get worse than nothing in return. All these it has reduced at the expense of the Canadian worker and at the cost of the expatriation of many.

Mr. MACKENZIE KING: May I ask a question? Will my right hon. friend say that Canada is giving Great Britain the same opportunity in her markets as Canadians get in the markets of Great Britain?

Mr. MEIGHEN: We are giving far better.

Mr. MACKENZIE KING: In what particular?

Mr. MEIGHEN: Certainly we are. What constitutes opportunity is preference. We are giving preference; she is not as a general policy giving preference. The preference she may have established very lately is good, and I should give something for it, but it is small compared with the preference we have given. Does the Prime Minister think that if the British markets are wholly free to all countries, Canada gets any advantage there? None whatever; but if they have a tariff and give a preference then we do get an advantage. My principle is, give advantage for advantage, but do not give it without.

Mr. MACKENZIE KING: My right hon. friend has been speaking largely of manufacturing industries this afternoon. Will he say that the manufacturers of Great Britain have the same opportunity with respect to the market of Canada that Canadian manufacturers have with respect to the market of Great Britain?

Mr. MEIGHEN: Yes, and better.

Mr. MACKENZIE KING: What nonsense!

Mr. MEIGHEN: For the simple reason that they have a preference. Does the Prime Minister imagine we would not be better off if Britain had a tariff of 20 per cent and let us in for 10 than if Britain had no tariff against anybody at all? I place my opinion in this regard beside the Prime Minister's and I submit both for the consideration of the business people of Canada. Now, the Prime Minister says I have been talking from the standpoint of the manufacturer. I have not; I have been talking from the standpoint of Canada.

Mr. MACKENZIE KING: I did not say from the standpoint of the manufacturer.

Mr. MEIGHEN: How did the Prime Minister put it? I did not mean to make it different from what he said. What did he say?

Mr. MACKENZIE KING: I said my right hon. friend has been speaking a great deal about the manufacturing industries.

Mr. MEIGHEN: All right—that is, I have been talking about manufacturers. I am glad he did not suggest I was speaking on behalf of any class, for I certainly was not.

Some hon. MEMBERS: Oh, oh.

Mr. MEIGHEN: Is there an interruption? If there is, I hope it is from the hon. member for Brome (Mr. McMaster).

Mr. McMASTER: The right hon. gentleman has said that he was really speaking on behalf of nobody at all.

Mr. MEIGHEN: I will say this to the member for Brome: I am speaking on behalf of myself, and my country. I am speaking

my own considered opinions, and I am trying to support them by argument and by experience. I commend the same course to him. We have listened to the hon. member for Brome repeatedly in this House; we have heard him expound the old free trade doctrines of the early writers.

Mr. McMASTER: As true to-day as ever they were.

Mr. MEIGHEN: As true to-day, he says, as ever. But the member for Brome is so devoted to his theories that he is blind to facts. He is ready to believe anything so long as it is consistent with what he argues. Surely he is not satisfied with conditions in this country to-day. If he is, he is not the Canadian I thought he was. Surely he does not think we have bettered our position industrially since 1921. If he does, I would like him to talk it over with some of his close friends, with some of the men in whom he has consummate confidence right in his own neighbourhood. Let him talk it over with anybody who is actually in productive business, and find out. I would like him to talk it over even with many of those who in 1921 supported him and who put this government in power—talk it over not with our friends, but with our foes, and see whether they agree with his verdict or with mine.

This resolution also calls for the appointment of a tariff commission along lines embodied in legislation of 1912, legislation which passed the Commons at that time but was defeated by the Liberal majority in the Senate. The government at this session of parliament has adopted the principle, I believe, of a tariff commission, some sort of a hybrid affair with outsiders coming in and joining with officers of the Finance department. Well, I am glad to see any sensible move in that direction, but I for one cannot for the life of me see any reason for a tariff commission unless we openly and frankly acknowledge that we are on the protective principle. Now I would like to put this to hon. gentlemen opposite—you who deny that you believe in the protective principle, you who have fought this principle election after election, you who have berated it in this House and out of it, and described it in all the language of bitterness—how do you justify a tariff commission? What is your tariff commission for? Is it to ascertain how you can fix the tariff to get the most revenue? It is not, and you know it is not. Every one of you knows that you can take schedule after schedule in the tariff to-day and lower it and get more revenue than you do now, and that you can take others and raise them and get more revenue than you do now. You know these things. The only reason in the world for a tariff commission is because that commission is to be deputed to ascertain what the level of protection should be to enable each class of industry to function. This hon. gentlemen opposite themselves declared so in 1912. That is why they resisted our bill, because they said it meant the embalming in permanent form of the protective principle. Now they are proposing a commission of some kind themselves, but they have not the courage to say that in doing so they give allegiance to the protective principle. Yes, we should have a tariff commission, a tariff commission for investigatory purposes, a tariff commission whose investigations will be such that the public will know more clearly and in more detail actual facts as to the industries of Canada. It should be advisory, and advisory only, because never from the shoulders of parliament can responsibility be shifted for the determination of tariff and fiscal policy. Such a commission has been advocated by the Conservative party before. It would, I believe, have been established in this country had not the war intervened. It would be valuable to-day. It will be a realized fact in Canada if the Conservative party is returned to power.

But no tariff commission can fix prices, and if the hon. member for Calgary wants me to say whether the Dominion parliament itself can actually fix prices, and in that way protect the consumer, I am compelled to answer in the negative. This is beyond our jurisdiction. But there is something within our jurisdiction, and what is within our jurisdiction is this: We can on the advice of a tariff commission, or we can, if we like, without it, remove a tariff schedule that protects an industry which assumes monopolistic power, remove a schedule that protects an industry which overcharges the consumer because it is bereft of competition. This we can do, and as well we can impose special excise penalties upon such an industry. Those weapons we can exercise; more direct weapons we cannot. We sought once to exercise means more direct. We had a Board of Commerce for the purpose. We felt we were within the law. I am free to admit the Board of Commerce failed; I do not know that even if it had not been in one respect badly manned it would have succeeded. The courts held that this exercise of jurisdiction was beyond our power. I know of nothing within our power save what is suggested in this tariff commission resolution. Whatever is within our power we will do, because the evil of exaction certainly demands a

remedy just as much as the evil of industrial emaciation.

But one thing we must achieve. We must see to it that the course we take is such that to the whole community of Canada, composed of nine provinces and our territories, to the grand total the result is the maximum of benefit. If for any reason we fall away from this course then every section suffers, and is bound to suffer. I therefore propose that those sections of this Dominion which derive less immediate result from a protective tariff than do others, those which labour under particular transportation disabilities, shall be assisted by the Dominion as a whole. Speaking a year ago last January in the city of Ottawa I used these words—I have here the full text of what I said just as it was given to the press:

> I have always admitted that the advantages to be gathered from a sound tariff policy are not equally felt by all portions of this broad Dominion. Indeed, it must be admitted, too, that the problem of distributing the incidence of any policy we adopt—in a word of bearing the weight of Canada as she marches on—is a very difficult one in such a Dominion as ours, but if we get right in matters that are basic we can meet the sectional questions that arise. Given a healthful expanding trade situation in our country, we can set to work to make the access to our central provinces easier both from the Maritimes and from the prairie west. I believe the united strength of Canada should be devoted to helping transport from the more distant parts of the Dominion.

Mr. FORKE: How would you propose to do it?

Mr. MEIGHEN: The Maritime provinces are separated from the mass of our population by a very considerable stretch of territory along which little or no business is done. The western provinces are likewise separated from the same central provinces of Canada. These are two wide chasms fixed by nature, against the incidence of which Canada has had to struggle through the whole course of her history. These are the chasms which in my judgment come especially hard on the remoter parts of the country. It is true the central provinces have to bear a share of the transport to these outer territories, but I think it is an inevitable conclusion that the burden of transport chiefly comes upon those further removed from the centres of population. It would in my judgment be good national policy for the whole Dominion to bear a share of that transport cost. It could be done in more ways than one. One method is suggested in the resolution. It is to take certain basic productions in the Maritimes, on the one hand, and in the west on the other, and on the transport from those territories to the great central provinces, or say on the transport from the west to the port of Montreal, for the Dominion to carry a percentage of the necessary rail tariff. I do not mean to interfere with the jurisdiction of the railway commission in the least. I want to leave the railway commission free to fix such tariffs as the commission believes to be just as between the shipper and the transportation company, and to fix them without favouritism to any part of Canada. Let the commission do its work unhampered. For that principle I have fought in office and out of office. But there is no reason why the whole Dominion, not just the shippers along the lines of our roads, but the Dominion as a whole, should not carry whatever percentage seems fair of the cost of bridging these two great chasms between the extremities of our land.

After all, the main problem of Canada is a spiritual problem. It is a problem of getting all our people to see that we have only one country, that we have not a collection of unrelated sections. It is a problem of getting our people to see that the object of all is to help each, and that the success of one does not mean the failure of another. There are far too many in this Dominion who are of opinion that it is a great mistake if anybody is allowed to make money, that if a city is prosperous it is at the expense of the country, that if the industrial sections of Canada are making money it is a burden on the back of the farmer. A more false conception it is impossible for anyone to realize. This country is competing with other countries. It is the whole country that is competing. It is not any section with any section of the same country; it is the whole Dominion that is fighting a great commercial battle and must fight it, whether we like it or not, with all the great industrial countries of the world. Therefore, we ought to adopt a course which gains the maximum advantage for the whole; and then, having gained such advantage we will be in a position to afford special assistance, carried by the entire country, for the benefit of those who have special burdens to bear. This seems to me to be the right line to pursue, and this is the spirit of the resolution which I have moved.

We have heard throughout our history sectional appeals. This was bound to be our experience in the very nature of things. We took vast territories, empires in themselves, stretching across a great continent and we undertook the task of welding them into one under a central government with the same general laws, the same rules of trade, the same fiscal system. These divisions which exist among us have been accentuated by the

fact that for political purposes frankness has not always prevailed over the great distances which divide. But we were bound anyway to encounter years of strain and trial testing to the utmost our powers of patience and resolve. Our one essential creed should have been to pursue that course which offered most to the aggregate whole, to gain the maximum national advance at all costs—and after that proceed to adjust advantages among ourselves in a spirit of equity and union.

This sectionalism or whatever you like to call it we can never ameliorate by following a policy which weakens the strength of the entire unit. Such a course we have experimented on now for three years—and the malady is worse than when we began. We have sapped the virility of our industry, we have drained out much of the best of our population, we have diminished our national estate. But the experience of these years will not have been in vain if it teaches us in every part of this Dominion the folly of such a plan.

We still have a great people, a great country, and a latent power for progress unequalled in this world. I believe unreservedly and unwaveringly in the destiny of Canada—the destiny our fathers decreed, the destiny which already many generations of Canadians have striven nobly to attain—that of a great free nation endowed with an abundant heritage, conserving that heritage, never dissipating it, never casting it away, never weakly surrendering it to make great any country but our own, making the most of our possessions, turning them ourselves to the uses of mankind and in the end finding our natural riches reflected in a grander and more varied civilization, in a larger national stature, in increasing millions of Canadian homes. I believe in the destiny of Canada as a British nation, as the strong son, the elder brother, in this commonwealth —to my mind, to my heart no other future is thinkable. And without questioning in the least degree the fidelity to that future of any member of this House, believing as I do that beside such a destiny there is for us only one alternative, I submit the great article of policy which my words to-day seek to expound as the firmest safeguard against drifting that other way. But apart altogether from every question of our relationship to the empire or to the world and thinking only of the people of Canada I present the principles embodied in this resolution as the best for ourselves, best for every interest, best for every province, the principles surest to lead to the union and progress of all.

Right Hon. W. L. MACKENZIE KING (Prime Minister): Mr. Speaker, my right hon. friend opened his remarks by regretting that he was obliged to discuss his all important motion at this late stage of the session. I am sure the House will share his regret that it has been found—I will not say necessary—but rather that it has come about that this discussion should be brought on at this particular stage of the session. My right hon. friend might very easily have brought before the House the important subject which he has introduced to-day at a time when the House would have found it possible, having regard to the ordinary procedure followed, to discuss it fully on its merits. The resolution which my right hon. friend has proposed follows word for word the language of a manifesto which he gave to the country before the opening of the present session. That manifesto appeared in the press before parliament reassembled, and after the opening of parliament it appeared on the order paper, as a notice of motion in my right hon. friend's name. The right hon. gentleman is an old parliamentarian. He understands, I venture to say, better than almost any other member of the House, the procedure of parliament; speaking on a previous occasion he referred to this motion as being of transcendent importance, embodying as it did the fiscal policy of the party of which he is the leader. I am surprised, under the circumstances, that my right hon. friend, instead of placing this motion on the order paper as in the case of a resolution by a private member, did not bring it in as an amendment at the time the Address was being debated. There would then have been an opportunity for the House to go very fully into all of the matters which were brought before us this afternoon, and if that occasion had not proved sufficient there would have been ample opportunity at other times during the session. Again when his motion was called on one or two or three occasions my right hon. friend might have found opportunity to have debated this question; we would then have had the benefit of the speech we have listened to this afternoon before we began to discuss the budget. I know he will say that at the moment the call came for his particular motion on the order paper it was not opportune for him to proceed.

Mr. MEIGHEN: Too late.

Mr. MACKENZIE KING: But he might have followed the example of his hon. colleague from South York (Mr. Maclean) who knows very well that to make certain of having a subject debated, time should be taken by the forelock and notice given to the Clerk of the House perhaps a day or two before the House opens. The hon. member for

South York had a motion to which he attached a good deal of importance. Other hon. members of the House have had similar motions, and they succeeded in having their motions debated. They understand, as my right hon. friend does, the rules of the House, and they saw to it that their motions were handed in to the Clerk of the House at a time which ensured them appearing in a favourable place on the order paper.

Apart from these opportunities, I submit my right hon. friend not only could, but should have presented to the House the resolution which he has presented to-day when the hon. Acting Minister of Finance (Mr. Robb) delivered the budget speech and moved that the House go into committee of Ways and Means. We were then about to discuss the fiscal policy of the country. This resolution embodied the fiscal policy of the Conservative party. If my right hon. friend had the faith in the representations of his motion which at this moment he appears to have, that would have opened the door and given the appropriate opportunity to bring it forward, and we could have had a thorough and full discussion when we were participating in the budget debate.

What is the effect of the resolution being brought up at this stage? If we are to discuss it in any comprehensive way we must reopen the budget debate. Hon. members know that it is an old rule of parliament that a past debate must not be revived at the same session of parliament. I ask hon. members, is it possible to discuss the motion which my right hon. friend has moved this afternoon without reviving the debate which we had on the budget and which was the longest debate we have ever had in this parliament since confederation on the fiscal policy of the country. Under the circumstances I find myself placed in this position: Either I have to follow the example which has been set by my right hon. friend and begin a discussion which will open up the whole question of the tariff anew, which may prolong the sittings of this parliament, if not for weeks, certainly for days, if this matter is to be discussed over again in all its phases, and in so doing adopt a course to which I am taking strong exception in the case of my right hon. friend, or else to treat his motion, as he himself has recognized it must be treated, as a motion of want of confidence in the administration, and that is how I propose to regard it this afternoon.

My right hon. friend has brought in his motion as an amendment, at a time when we are asking parliament to vote us the supply necessary to carry on the business of the country. He is asking you, Mr. Speaker, not to put the motion that the House go again into committee of Supply, but to substitute for it a declaration of fiscal policy which is opposed to the fiscal policy of the present administration. My right hon. friend must realize that in accordance with parliamentary practice, the government will be called upon, to resign immediately if his motion should carry, because the House will have pronounced in favour of a policy upon which this government does not look with favour, indeed, a policy to which the government is opposed. Under these circumstances Mr. Speaker, I do think, that the sooner the House expresses itself as to whether or not it desires the fiscal policy which my right hon. friend proposes this afternoon to be the governing policy of the country, the better it will be for the time of parliament and for the general public interest.

In order that there may be no mistake as to the government's policy being opposed to that of my right hon. friend, I would point out what when in opposition, as he is to-day, we took occasion on the budget to bring before the House a statement of our policy on the fiscal question. That resolution or the essence of it, was moved on three or four occasions within as many years, but I wish to refer particularly to the resolution that was moved the very year in which my right hon. friend appealed to the country. At that time the present Minister of Finance, the Right Hon. Mr. Fielding, then a member of the opposition, brought in as an amendment to the budget, the following resolution:

> The House regrets that, after repeated assurances by the government of an intention to have a revision of the customs tariff, and after a protracted inquiry extending from ocean to ocean by a committee of cabinet ministers, the government have made no proposals for any reduction of the tariff;
>
> That, while recognizing that existing financial requirements of the Dominion demand the maintenance of a customs tariff, the House is unable to concur in the declarations by the government that the tariff should be based on the principle of protection; the tariff is a tax, and the aim of legislation should be to make taxation as light as circumstances will permit;
>
> That the aim of the fiscal policy of Canada should be the encouragement of industries based on the natural resources of the country, the development of which may reasonably be expected to create healthy enterprise, giving promise of enduring success;
>
> That such changes should be made in the customs duties as may be expected to reduce the cost of living and to reduce also the cost of implements of production required for the efficient development of the natural resources of the Dominion;
>
> That, while keeping this aim clearly in mind, the House recognizes that in any readjustment of the tariff that may take place, regard must be had to existing conditions of trade, and changes made in such a manner as will cause the least possible disturbance of business.

It was on the fiscal policy therein set forth that we as the Liberal party appealed, or rather that we met the appeal of my right hon. friend in 1921, and on that we were returned. I submit that since our return we have been true to the policy outlined therein, that the moves which we have made have all been in the direction therein indicated, and that we have had up to the present the repeated expression of the confidence of the House in the attitude we have taken. We have had four debates on the budget. Four budgets have been introduced. On the introduction to the first budget in 1922 an amendment was moved by the hon. member for West York (Sir Henry Drayton) on behalf of hon. gentlemen opposite and was defeated by 122; the main motion was carried by 18. The next year, 1923, an amendment was moved by the hon. member for Brandon (Mr. Forke) and was defeated by a majority of 121; the main motion was carried by a majority of 8. In 1924, the amendment moved by the hon. member for Centre Winnipeg (Mr. Woodsworth) was defeated by 188 and the main motion was carried by a majority of 112. This year an amendment was moved on behalf of the opposition by the hon. member for West York, and was defeated by 116; the main motion was carried by 37. A subsequent motion on the second reading of the Customs Tariff Act referring also to the tariff policy was carried by a majority of 77. The government may well say that not only has it been true to its principle as set forth in the resolution I have read, but that as a consequence it has continued to enjoy the confidence of the House in the matter of its fiscal policy. Under these circumstances I do not think that we are called upon at this stage of the session to open up a fresh debate on the question of the tariff. There will be other times and opportunities when it will be possible to answer my right hon. friend and the arguments which he has presented to-day. Indeed I would say that if hon. members will read the speeches which have already been delivered, they will find, with respect to every point which my right hon. friend has brought up this afternoon, whether it relates to immigration, the number of establishments that have closed down according to Dun's report, exports or imports, balances of trade or anything else to which he has referred, a complete answer to the position which he has presented. I do not believe an argument of days or weeks or months would add either emphasis or strength to or detract one iota from anything which has already been said, or could prove to be of the least service to the country. What the country wants is that parliament get through its business as rapidly as possible. Let me repeat again. We have already debated the fiscal question for something like twenty-four days of actual debating, or nearly a month and a half in time by the calendar.

There is only one further point to which I would refer, because I shall conclude my remarks by six o'clock, one to which my hon. friend has made reference. That is his intimation that the government was adopting the policy of a tariff commission. I want to make it perfectly clear that no such construction can be placed upon any words spoken by hon. gentlemen on this side with respect to our proposed method of dealing with the tariff. We do intend to have a board of advisors who will be qualified to present to the Minister of Finance exact information with respect to matters pertaining to the tariff, who will be able to give to the government the kind of exact information that is all important in an effort to revise the tariff in accordance with the fiscal policy of the party. But we do not intend to take away from this House of Commons its supreme right in matters of taxation. We intend to regard the tariff as one form of taxation, and always to reserve to hon. members here the settlement of how that taxation is to be levied. The government will be in a position, in presenting its proposed tariff changes, to show wherein the advice of experts has been obtained and given with regard to the effect of every change that is proposed, and we hope it will be possible to bring about such readjustments in the tariff as will make it a more effective instrument than it has been in the past for raising the vast revenues which in part have to be raised through customs tariff. What we have sought to do is to equalize customs burdens throughout all parts of this Dominion, just as we hope in our policies in other directions also to further that great idea of equalisation between all parts.

I am afraid the speech of my right hon. friend this afternoon, despite the patriotic words with which he concluded, being as it is an appeal for higher protection and still higher protection, can serve only to set the east against the west in this country again, to help to make wider the differences that may exist between the Maritime provinces and central Canada, and if his policy were to be carried out as a result of any appeal to the people, parliament, when it reassembled, would find itself just about where we were in the matter of national unity at the time when the present administration took office, a country

again divided and disunited instead of being a country as is the case to-day united from the Atlantic to the Pacific and sharing a growing sense of closer community of interest between all its parts.

Some hon. MEMBERS: Oh, oh.

Mr. MACKENZIE KING: Some of my hon. friends opposite say "oh, oh" and laugh. I am glad to say that they are the only ones in the House who delight in division. I may tell them there is one division they will not delight in and that is the one which will be taken when the House expresses its opinion on the amendment of my right hon. friend.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

SECOND READINGS

Bill No. 152, for the relief of Kathleen Mary Ricketts.—Mr. Stansell.

Bill No. 153, for the relief of Mary Alina Marguerite Peat.—Mr. Duff.

Bill No. 154, for the relief of Sadie Dennis.—Mr. Sheard.

Bill No. 155, for the relief of Isabel Davidson.—Mr. Bowen.

Bill No. 156, for the relief of Jacob Ross.—Mr. McMaster.

Bill No. 157, for the relief of John Delbert Boddy.—Mr. Stewart (Leeds).

Bill No. 158, for the relief of Edward Hugh Reid.—Mr. Ladner.

Bill No. 159, for the relief of Sidney Charles Simmons.—Mr. Clifford.

Bill No. 161, for the relief of Harriet Elizabeth Couch.—Mr. Clifford.

Bill No. 162, for the relief of Margaret Helen Strickland.—Mr. Hocken.

Bill No. 163, for the relief of John Henry North.—Mr. Duff.

Bill No. 165, for the relief of Mary Jane Apedaile.—Mr. Sheard.

Bill No. 166, for the relief of Cecil Donnelly.—Mr. Ladner.

SUPPLY—TARIFF REVISION

The House resumed consideration of the proposed motion of Right Hon. Mr. Mackenzie King for committee of supply, and the proposed amendment thereto of Right Hon. Mr. Meighen.

Mr. ROBERT FORKE (Brandon): Mr. Speaker, I desire at the beginning to make my position plain in regard to the resolution that is now before the House. The Prime Minister (Mr. Mackenzie King) in his speech this afternoon said that he would regard this as a vote of want of confidence, and I want to make my position clear in that respect: I shall look upon the vote I give neither as a vote of confidence nor as a vote of want of confidence. It will be a vote repudiating the policy advocated in the resolution and in the speech of the right hon. leader of the opposition (Mr. Meighen) this afternoon. I wish, however, to compliment the right hon. gentleman on his speech. It was pretty long, and in that connection I understand that a revision of the rules is proposed under which we are to have no more lengthy speeches. However, if they are of the character of that we have had this afternoon I think perhaps we could stand them, although I did not believe a word of the argument. I must say the right hon. gentleman made his remarks quite entertaining; he was not at all difficult to listen to. Sometimes it is difficult to listen to an argument in which you do not believe, but in this case we have got so used to it now that it has no effect upon us.

I want to compliment the leader of the opposition also upon the definiteness of his statements. He nailed his colours to the mast; there is no question about that. I do not know what will come of it. In looking over the history of Canada during the last twenty years we find that when a party was in opposition it advocated a low tariff, and when it got into power it might go a little way but not very far in that direction. Now we have the opposition advocating a high tariff. But I venture to say that if my hon. friends of the opposition got into power they would not make the tariff very much higher than it is at the present moment. In fact, the only possibility I can see of a definite settlement of the tariff question on a low tariff basis will be for the members in this part of the House to take up the reins of government and to put things right in Canada for some time.

Mr. SHEARD: It will be a long time.

Mr. FORKE: Well, a great many unexpected things happen. It is always a dangerous thing to prophesy. I know if I had been told five or six years ago that I would be standing to-day in a front bench of the parliament of Canada making a speech, I would have replied that they were foolish and did not know what they were talking about. But it has come to pass.

An hon. MEMBER: So they were.

Mr. FORKE: Well, that is quite possible. I will leave it to the people of Brandon within a short time to indicate what they feel about it. I am glad my hon. friends to my right have not the opportunity of trying me and hanging me; if they did I am afraid I would be in a very poor position.

In commencing this afternoon the right hon. leader of the opposition dwelt on the fact that Canada had made great advancement under the National Policy. I am not going to decry the advancement that Canada has made since the National Policy came into effect. Even with all the disadvantages we have had, when we think of the advancement the prairie provinces have made in one generation I do not think we have any reason to feel at all disappointed, although no doubt under different conditions things might have been a great deal better. But I would like to point out that the greatest advancement that was made in Canada was between the years 1901 and 1911. Those were the years of rapid advancement both in population and in industry in this Dominion. What were the conditions that existed during those ten years? There was a vast amount of railway building. Large sums of money were being paid out in wages and for railway equipment.

Mr. HOCKEN: We are paying them now.

Mr. FORKE: I do not think so—not to the extent that it was done during those years. At the same time a large number of immigrants were pouring into the west and into other parts of Canada, bringing a certain amount of money with them. Everything was advancing rapidly. Land was being taken up in the west. A vast amount of machinery was in demand, and industry was called upon to meet the needs in that respect of the farmers who were breaking up the prairie. I think the statistics will show that perhaps two thirds of the industries at present operating in Ontario came into existence during those ten years. Anyone who considers the facts in this connection may learn a lesson from them—that industry expanded and prospered just in proportion to the demand there was in the country for the products of the factories.

In the speech to which we listened this afternoon a great deal of attention was given to the production side and the industrial side. Now, if that was all that had to be considered, perhaps the whole question could be solved. What is the present situation in Canada? Our factories are full of goods; our wholesale houses and retail stores are full of goods. There is no lack of goods, no lack of production; what is the matter? Why all this talk about getting more industries to produce more goods when you cannot find a market for the goods you are now producing? I really think if the leader of the opposition would devote his high attainments and great ability to thinking this matter out, he could offer us some better solution than he has up to the present laid before the House.

This afternoon the leader of the opposition spoke about a tariff commission and what it would do for us. Well, if we are going to get a tariff commission that will settle the question of tariffs in this Dominion, it is going to be some task. I have no faith in any such proposition. I do not believe for one moment that we can get any commission that will bring us to a settlement of this question once and for all. I would not have much faith in most of the tariff commissions that would be appointed and travel over this country. What are the facts as they exist right here in this House and in this parliament? Who are the people who have the ear of the government, who are able to put up their story and bring their troubles before the government? Is it the consumers of this country? I am not blaming anyone for coming to the government with their grievances and asking for some amelioration of the conditions in which they find themselves, but I think most members know that it is very much easier for the producers, for the manufacturers and others engaged in industry, to present their side of the case than for the hundreds of thousands, yes millions of consumers to present their side of the case.

Another matter with which the right hon. leader of the opposition dealt in his speech this afternoon was railway freight rates as relating to the prairie provinces and the Maritime provinces. I thought it was rather a disingenuous argument that he brought forward, that he was going to help some sections of our Dominion by reducing railway freight rates at the expense of some other parts of the country. That could not be done entirely, because if rates were reduced lower than they ought to be, the difference would have to be made up by taxation, and the people who were getting the benefit of these lower rates would at least have to pay their share of that taxation, thus taxing themselves, in a sense to reduce their own railway rates.

It was brought to my attention just this afternoon that two years ago there was a large production of turkeys in western Canada, many more turkeys being produced than could be sold in the local markets. Several carloads

of them were sent down to Ontario, and what happened? The bottom went out of the turkey market in Ontario. Now would it not be a nice thing for the farmers of Ontario to have to pay to reduce freight rates on a carload of turkeys coming down here to compete with them in their own market? It does seem to me that that sort of solution will not solve our troubles. Ontario, the province that was most in the mind of the leader of the opposition this afternoon, or at least it is the largest industrial province, can produce everything it wants from an agricultural point of view, and I wonder how the agriculturists of Ontario would feel if they were taxed to reduce freight rates to help other agriculturists ship their products in here to compete with them in their own market. I do not think there is anything in that argument whatever, and I think we shall have to find some other solution of this question.

There is no other remedy proposed for our ills at the present time than high protection. It seems so easy to tell the people: If you will increase taxation, if you will only increase the protection to industries, all will go well; it may increase the cost of goods, it may bring more factories into existence than there is really business for, but, nevertheless, with this added protection all will go well. It does seem to me, Mr. Speaker, that there is no way of solving this problem until we have solved the problem of consumption as well as that of production. The high cost of living and the high cost of production are two of the problems we have to meet at the present time, and we have to find some solution for them. It has always seemed to me that if Canada could be made a cheaper country to live in than the United States there would be more chance for Canadian manufacturers, but just so long as you find Canada a dearer country to live in than the United States, and with taxation higher, then I am afraid I can see nothing ahead but rather difficult times for our manufacturers and our people.

A good deal is said about wages. Our friends to my right are always fond of talking of the high standard of living of our Canadian workmen, but that argument is of no effect in dealing with United States competition because, as everyone knows, the workmen of the United States live on just as high a plane as do our own people in this Dominion. What is there anyway in this talk of low wages and of competing against the products of a country with a low standard of living? I have never believed in that argument, because I have never believed that cheap labour was efficient labour. I might almost take it up from a personal point of view and say that in my own small experience I have never found that the underpaid man was in any sense a good investment. Efficient labour generally goes with good wages. I picked up an article recently, written from the United States point of view, dealing with this question, and with your permission, Mr. Speaker, I should like to quote a paragraph or two. It says:

> We used to import rice from the Orient, where it was grown with 10-cent labour, using a hoe and clad in a breech-clout. Now we export freely. Recently we had 180,000 tons more than we knew what to do with. Mr. Hoover asked the foreign representatives of his department to find a market, and where was it sold?

Where do you think it was sold, Mr. Speaker:

> In Riceland—in China and Japan—at the American price plus transportation, because that 10-cent worker with the breech-clout is more expensive than our labour-capitalist, at $3 per day.

Production at $3 per day was able to compete with production at 10 cents per day. I think that bears out my argument that cheap labour is not efficient labour. It goes on:

> Our farmers have always competed successfully with the lowest paid labour in the world. That is largely why farmers formerly prospered, with 80 per cent of all their products sold on a free trade or export basis, in world-wide competition, their export price determining their domestic price. The farmer began to go bankrupt when the present high tariff made it impossible for his foreign customers to exchange their goods for his products and compelled him to pay profiteering prices for most of his requirements.

That relates to the United States. It goes on:

> Farmers and others should think of this when told that American factory labour cannot compete, and our manufacturers, by cajolery and threats alike, secure tariff rates from two to five times the rate they pay their labour. If such statements were true, the manufacturers would not have exported in 1923 $1,500,000,000 of manufactures ready for consumption, and also $550,000,000 of partly manufactured goods, including $300,000,000 of machinery.
>
> There is much ignorance and no little dishonesty in the statements made about American high wages. The census of 1920 discloses that out of each dollar of the factory selling prices in the following industries, labour got, in cotton goods, 17 cents; in silks and woollens, 16 cents; in hosiery, 18 cents.

And so all along the line, showing that labour was only a very small part of the cost of production:

> To-day wages average only about one-fourth of the consumer's price, thanks to modern machinery and processes. The days when "everything is all labour," the days of hand production, are gone forever. Thus wage-cost, important as it is, is relatively insignificant. The wage-earner must be as fit as a race horse entering a race. He must respond as freely, not for the wage, but for the love of accomplishing. High wages are the only wages anyone can afford to pay who would produce economically.

I think that bears out my argument that cheap labour is not efficient labour, and if Canada is to pay more for its labour than some of the countries who are exporting goods here, Canada can at least have more efficient labour and I believe that of our Canadian workmen.

I would like to repeat here what I have often said before, that I am sure none of us have any antipathy towards our Canadian manufacturers and Canadian industries. We would all like to see prosperous industries and all our workmen employed continuously, but is it not possible that under artificial conditions, with the artificial fostering of industries, we have more industries and more goods produced than can be sold, and consequently we find unemployment? If, as the right hon. leader of the opposition proposes, we have a high protective tariff, and we find the industries we have here to-day beginning to prosper, what would happen in Ontario? We would find a great many other people immediately building factories taking their share of the good times that were accruing if it be possible that we could have good times accruing from this high protection. We would have the same thing repeated over and over again. We would have an overplus of goods, the mills would be shut down, and there would be a lack of employment. It is a vicious circle, and you will never solve the problem by adopting any such policy as high protection, by protecting industries that are unable to pay in a legitimate way. I do not want to take up much time in this debate because I had the opportunity of speaking before. I agree to a certain extent with what the Prime Minister said this afternoon; I do not think it is fair that this debate should have been brought on at this time. The subject matter of the resolution was set forth by the right hon. leader of the opposition in the manifesto which he issued exactly in the form in which it is now before the House. The whole question was adequately discussed on the budget, and I do not believe there will be a single idea brought before the House at the present time that was not repeated on the former occasion.

The right hon. leader of the opposition in his speech this afternoon referred to the British preference. Of course he is willing to give Britain a preference but in a rather shabby sort of way. It is to be done in this manner: The general tariff will be raised to such a high pitch that we can easily afford to give Britain a little concession in the matter of duties so that she may have a preference over foreign countries, while at the same time the tariff may be so high that the British manufacturer will not be able to compete with the Canadian manufacturer. That, I think, is the kind of preference the right hon. gentleman is willing to give to great Britain. Now, Great Britain buys our wheat, she buys our cattle, and she buys our dairy produce. We sell our goods to Great Britain and how is she going to pay for them? Is she going to transport gold over to Canada, or how is she going to meet the obligations that she will incur in buying our goods? I think it would be only decency on our part that we should be prepared to buy some goods from Great Britain in return for the market we have over there. If that market were closed the European market would soon be closed to us also. Then what would happen? Our agricultural communities would be ruined, and a similar condition would overtake our manufacturing centres very shortly. I should like to see some encouragement given to the British preference policy, I should like to see something done from a practical point of view, but not in the way proposed by the right hon. leader of the opposition. It is a terrible thing, Mr. Speaker, to buy anything abroad that can be produced more cheaply there than it can be at home. The idea seems to be, apparently, that if you have not a man working at some industry he cannot do anything else. Would it not be better to have our population engaged in profitable work that we can do, perhaps, more cheaply than any other country, and then buy from other countries the things that they can produce more cheaply than we can? That would be international trade of a kind that would benefit everyone concerned. I am not one of those who believe that Canadian manufacturers cannot compete with the manufacturers of other countries considering the excellent help and the other advantages they have. They have always the advantage of transportation, and they are near the home market. They say quite freely that they cannot compete abroad with other countries because those other countries have lower wages, so that they must depend on the home market. Well, in the home market they have always the advantage of less transportation than in the case of goods coming from outside countries. I do not see why properly conducted manufacturing establishments, with the right equipment, with good management, with sufficient capital, aided by the intelligence and enterprise of Canadian people, cannot make a success of Canadian industry when

that industry is a legitimate one and has cheap power to boot.

I noticed some time ago, when we were discussing a trade convention with Finland, that a most ridiculous situation was disclosed. Why we only bought about $5,000 worth of kraft paper from Finland, and at the same time we sold them $1,200,000 worth of goods. It seems to me that is a pretty good arrangement for us when we sell to a country $1,200,000 worth and only buy $5,000 worth in return. I am not at all afraid of trade of that kind.

We had some discussion the other evening in regard to smuggling. We want to make smuggling very difficult. Perhaps it is right that we should do so—I am not going to find fault with that—but if I were a high protectionist and believed so thoroughly in protection as some hon. members do I would make it a crime for anyone to be seen wearing any goods that had not been manufactured in this country. I think that would put an end to the whole business, and we would have all the goods that we consume manufactured at home. In a very short time that would be the outcome of the proposition.

In conclusion I should like to say that protection or high protection is nothing more or less than economic warfare. We all know that to be a fact. There is no mistake about it but the condition of the world at the present time has been brought about generally by trade jealousies. What is the condition of Europe to-day? We find tariff walls being erected about every little country, engendering hate, and strife and envy. Everyone is wondering what is going to happen. It is not difficult to predict that the outcome of trade competition of this kind between nations will be nothing but strife. The policy of high protection can largely be blamed for the difficulties that arise between nations. I have no hesitation in making the statement that I think the United States has passed the period where it is going to have any more preaching of high protection. Any future movement in the United States, I think, will be in the other direction. I am hoping that the day will come when this North American continent will be able to teach a lesson to Europe not only in matters of peace but in matters of trade with a resultant great prosperity to all concerned.

As a last word I should like to lend myself to one sentiment expressed by the right hon. leader of the opposition this afternoon. While I am prepared to lead the fight to what I believe to be the rights of any particular section of our Dominion, I also want the east, and the west, and the centre of Canada to get justice. Mr. Speaker, we will never arrive at any true settlement of our problems until that settlement is broad-based upon the principles of equity and justice to all concerned. It will not be by giving favours to one particular locality or another, but by handing out even handed justice to all the people of the Dominion.

Hon. EDMUND BRISTOL (Centre Toronto): Mr. Speaker, at a time when the rules of the House are being changed in order to prevent long speeches let me say that such a change has not been rendered necessary particularly on my account.

Some hon. MEMBERS: Louder.

Mr. BRISTOL: I hope before I get through to say a few words that perhaps may be of interest to my distinguished friends on the left, but I want to start gently and calmly.

In the first place I want to say to the Prime Minister that it is time for distinguished men like himself to get rid of the idea that a certain political party in this country—or for that matter any other party—wishes to set the people of Canada one against the other or to derive any particular advantage therefrom. No such sentiment as that prevails in this country, nor should it be allowed to obtain a footing here. Personally speaking I shall never say anything that is detrimental to the interest of any particular group or any particular member in this house.

I want to make a few remarks on what I regard as the most important matter that has been before the House—that is to say the motion under consideration. It is perfectly obvious that we are not bringing a sufficient number of people into Canada at the present time to replace the number we have been losing during the last three or four years. It is unfortunate, whether the number be 300,000, or 600,000, or 700,000, that we have lost and are losing, from Ontario and Quebec particularly, numbers of the Canadian population that can ill be spared—native-born Canadians many of them, the most desirable class that we could have, and we have been endeavouring under our immigration policy to bring other people here. For some very obvious reason it is quite apparent that the United States has had to place an obstacle in the way of immigrants coming into that country, but while we have no obstacle of the same kind we have not enjoyed so great a measure of prosperity, as the United States.

The unfortunate part of the situation as far as Canada is concerned is this: We have a

very large national debt. It does not do any good to say who is responsible for the railway situation but we have a railway system which apparently is going to the bad at the rate of $100,000,000 a year. It is a further misfortune that our provinces are fairly agreed on rates of taxation which are very high, and that our cities have followed suit, with the result that the country, so far as taxation is concerned, probably ranks at the head of the world to-day. It is perfectly obvious to anybody that unless the boys and girls grow up in the country, make as good a living in Canada and get as good wages as they receive in the United States, they are apt to go to the United States to get a living and get those wages. Therefore, it is just as clear that, so far as this country is concerned, if we want to keep the population of working people here, of the class we want to have, we have to pay as good wages as in the United States next door to us. The argument is a very simple one, but if you want to do that you require to have work for them. You must not let the workman in the United States do the work there and have the goods imported into Canada when the work could have been done by Canadian labour which has gone to the United States. We have sent thousands of people to the States in the last two years, particularly from the province of Quebec, and it certainly is obvious to everybody that in order to pay our debts and taxes we need increased population. I do not think anyone would argue that he would not rather receive back in Canada a large portion of the 700,000 people who have gone over there, than to bring in foreign immigrants who have to be educated to the affairs of the country, who are not so suitable for working purposes in Canada.

A curious sight confronts me, when I look at hon. members to my left. They are able, intelligent prosperous men. Some of them came from a free trade country, about five of them I think came here fifteen years ago. They are well to do and they are members of parliament. Instead of wanting to go back to the free trade country from which they came, they want to educate us to free trade which does not exist in this country, and which I hope will never exist. They want to go back to old customs, but do not want to go to the country where those old customs exist.

I now come to the free trade part of the question, and I think it is of some importance, but it is no use talking to my hon. friends on the opposite side. Some of them are as good protectionists as the mover of the resolution; I think most of them are. For the last four years the government have been marking time because they did not go very far in the direction they were supposed to move. The first year they did not do anything. The second year they told us that we were going to get cheaper agricultural implements. Hon. gentlemen to my left know what they got, and this year they have done nothing. Sitting there as protectionists, they are holding down the job, but the time will soon come when they will have to get up and express their views, and I think we will find they will be good protectionists in the province of Quebec, and free traders in the western part of the country. Whether that is so or not, the situation we want to discuss at present is, what is best for us all to do from a national point of view. I want to say one thing to my hon. friends to my left. They grow No. 1 hard wheat, which is the best in the world, and I am sure they are proud they are able to do it, and we as Canadians are glad that they are able to grow this wheat, and wish that they may make all the money possible out of it, but I never could understand why they want to turn Canada into a free trade country or what you might term an agricultural country. History is not long in this country, and if you go back to the days of Mackenzie—not Mackenzie King, but the Mackenzie of 1874 to 1878—and Sir Richard Cartwright, and if you want to read speeches on free trade, you will find all the speeches on that subject that could be made by anybody. If you look at the speeches of Sir Richard Cartwright you will find more vituperations in his utterances than you have ever heard since you were in parliament. But that did not last long, because free trade was not a suitable policy in a country situated alongside the United States. It might be possible if we were located next door to England, but I doubt it. So far as the United States are concerned, it is a high protectionist country.

Another question I should like to ask my hon. friends to my left is this: How do they really think that their wisdom is so much greater than the wisdom of sixty other countries in the world, including the United States and including England, where the question of competition is brought in? I do not think we should adjust our tariff on anything England does in the way of tariff legislation, because the conditions in England are different. The policy of England was to bring in raw products to that country, manufacture them, and send them out in their own ships, they owning about 80 or 90 per cent of the ships on the high seas. Therefore, they could do

business from every angle, and they made money. We have no ships that are earning money for us. Perhaps after this government gets along a little further we will have some ships. But coming back to the proposition that England is the only country which has a policy of free trade, they owning such a large percentage of the ships of the world, if it can be shown to them that they cannot compete with foreign labour they will grant a certain amount of protection, and when they introduce protection it is almost prohibitive, because they do not allow the other country to get in there at all.

Mr. EVANS: I think my hon. friend is wrong in that statement. The British manufacturer—

Mr. BRISTOL: I am not here to listen to a speech, but I will answer a question.

Mr. EVANS: Is it not a fact that the British manufacturer has to prove unfair competition before he can get any protection?

Mr. BRISTOL: If my hon. friend is interested in that question he can look it up, but the fact is that under certain conditions he can get protection.

Mr. EVANS: The hon. gentleman made the statement.

Mr. BRISTOL: There are sixty-two other countries including the United States, whose wisdom is apparently less than the wisdom of my hon. friends to my left.

Mr. MEIGHEN: I have in my possession here Mr. Baldwin's speech. Protection is procurable on its being shown that there is unfair competition arising from lower wages, or arising from subsidies, or other special assistance, or arising from differences in the degree of taxation.

Some hon. MEMBERS: Order, order.

Mr. MEIGHEN: It is wonderful how impatient hon. gentlemen opposite become.

Mr. BRISTOL: I do not think that what they do in England is an example for us in Canada at the present time, with the United States alongside. I think our hands are tied here, and if we do not pay as good wages in Canada and get our taxes reduced, our people will begin to realize that they cannot do as well here as in the United States, and we will have a continuance of the exodus which has been going on for the last three years, or since the United States raised their tariff in 1922 to the prohibitive point. They are not satisfied with raising the tariff against Canadian manufactured goods, but they have raised the taxes against the farmer. They used to import our cattle free of duty but now they have a high tariff, and we are subject to a duty of 42 cents a bushel on wheat and that sort of thing. I do not think it has done the American farmer any good. We have 5,000,000 American farmers who are protectionists. We have had a few farmers from across the line coming over here to teach us free trade, and they are all in the Canadian west. I do not know any country so well suited to their needs as the Canadian west.

Suppose you turn this into a free trade country; you are getting goods from the United States, and labour from England which is cheaper labour than that of Canada; and supposing you are shut out of the United States, practically your position is this, that overnight you introduced into this country the manufactured goods of the United States, they will have no opposition here, and you will have to pay higher prices for these goods.

Furthermore if you cannot wipe out the national debt as a result of the railway situation, the result will be that there will be a horrible bill of taxes to be paid. It is suggested that the government is extravagant in its conduct of public business, and especially in making a lot of advances for harbours, and so on, preparatory to the next election. From year to year there is an enormous expenditure amounting to millions of dollars throughout the country, and we certainly have to pay interest on the indebtedness we have incurred. The debt has got to be paid, and if you can find any cheaper method of doing it than the present one, I am sure everyone will be glad to hear what it is. Trouble is bound to occur if you drive out from Ontario and Quebec the people who are paying four-fifths of the taxes.

I have the heartiest personal regard for the people of the great province of Quebec. I think, with all respect to Mr. Ferguson, Quebec is the best governed province that I know of in this country or anywhere else. The only thing I regret is that so many of my hon. friends, who sit on the other side of the House and who are really good Canadians and good protectionists, do not find it convenient to meet us in regard to this resolution, bring back our French-Canadian people from the United States, keep our French-Canadian people here from going to the United States and give them work to do in Canada. There would be a great development and increase in population if in this way work was given to the factories now established in this country, be-

cause American factories were established here from 1901 to 1921, but at present they are not working anything even like half time. If we produced in this country the stuff which we are now bringing in from the United States and from other countries, Germany included, there is no question that we would get back many of our population who have gone to the United States and we would keep our present population here. It is obvious that something must be wrong in our affairs when we are losing so much of our population.

I am sure our Progressive friends do not want everybody to go west and farm. They are a long way ahead of what Russia may do for some time to come, and they certainly want to keep some people in Ontario and Quebec who will consume their No. 1 hard wheat and flour. With all due respect for the western policy of free trade, so-called, it seems to me it is the most injurious policy that could be conceived as regards Ontario, Quebec and every other province in Canada. The leader of the opposition (Mr. Meighen) has suggested that as regards differences in tariffs, if we find any manufacturer by virtue of a protective policy getting the best of it in Ontario and Quebec, there are two things than can be done. I think the taxes of this country are sufficiently flexible to take care of any manufacturer who is making too much profit, and as long as we have the National railways, we shall have plenty of opportunity to require those taxes. The west are bound to have a certain amount of prosperity, but the farmers of Ontario and Quebec are in a bad way because we have lost six or seven hundred thousand who have gone away in the last few years. Our Progressive friends should consider the matter further and find out whether they are wiser than sixty-two of the greatest nations of the world including the United States and whether they have not made a mistake. I believe if they got all they wanted, they would not be very happy in the final result.

The policy as regards the United States is a very dangerous one for this country at the present time, for a very obvious reason. They put up their fist and say: You cannot sell anything in this country, and they include the farmers, and on the other hand, they say: All Canadians are welcome to this country and nobody else can get in without trouble. If that is not an underground method of skilful annexation of the people of Canada to the United States, I cannot conceive of anything better. There never was a time in the history of our country when it was so important that we should consider our interests from a national point of view; that we should give such protection to the business of this country as to require the products of Canada to be manufactured here, and I believe the motion which has been moved by my leader is one which will bring prosperity and success to the people of this Dominion.

Hon. T. A. CRERAR (Marquette): Mr. Speaker, the amendment which the leader of the opposition (Mr. Meighen) has moved this afternoon is one of much more than ordinary importance, for several reasons. The first and chief reason is that it is a declaration of political faith on the part of the right hon. gentleman who leads the Conservative party, and, I take it, also of his party, on a great public question that has agitated the people of this country for many years. The declaration contained in the resolution is in itself very specific, and if emphasis were needed to add to the clarity of that declaration, it is certainly found in the speech of the leader of the opposition this afternoon. It contains more than a declaration of faith in protection, more than a declaration that if the right hon. gentleman is again entrusted with the responsibility of administering this country's affairs, he shall proceed to raise the customs tariff still higher than it is at the present time. It contains more than that, because it contains an express statement added to by the right hon. gentleman himself, that if his party is returned to power, he will sweep away the present existing British preference, a preference that has existed for well on to thirty years. In every respect this resolution and the speech of my right hon. friend constitute a declaration for the Simon-pure principle of protection as applied to fiscal policy in Canada. Upon that ground I should like to examine it for a few moments and, if possible, to pay some attention to the arguments advanced by the right hon. gentleman this afternoon in support of his resolution. The argument for protection always carries with it a certain plausibility. It is something like the experience that desert travellers have when their water supplies have become exhausted. They are out on the desert and they are lured forward always by the mirage ahead that holds out the prospect of water to their bewildered minds. In like manner this principle of protection as applied to fiscal policy in a country has the same plausibility. My right hon. friend argued this afternoon with a great deal of vigour and at considerable length. I think his arguments were as fallacious as the statements in his reso-

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lution, and I doubt if they will stand the stern, keen examination of fact in respect of this whole matter. This resolution, of course, when you read it, has the merit of containing something for almost every part of Canada. Not only is it a declaration of faith in protection, but the speech of my right hon. friend this afternoon was a summary, a compendium of arguments that, I presume, will be spread in the next few weeks to the remote corners of Canada by his loyal followers. In the first place this resolution states:

> That this Dominion requires an immediate revision of the Canadian tariff on a definitely and consistently protective basis.

And for the following purposes: The first reason that is adduced is that other countries have raised their tariffs and that, consequently, we must follow suit. What weight is there in that argument? If any other country chooses to follow a mistaken policy, is that any reason why this country should follow a mistaken policy? If another country raises its tariff against Canada, is that any reason why we should penalize our own people by increasing the cost of a large portion of the goods that they require in order that we may "get even," if I may use a common expression, with that country?

The next reason given in the resolution is:

> To give new life to industry and productive enterprise.

Everyone wants to see industry and productive enterprise prosperous in this country; but the assertion that the adoption of this policy will bring about that desirable state of affairs has, I submit in all sincerity, nothing to support it in the arguments advanced by my right hon. friend this afternoon. After all, what is the greatest industry in Canada? I have stated before in this House, and I repeat it now, that our greatest industries are those associated with the development of the natural wealth of this country. The business of farming is just as much an industry as is the making of ploughs or of textiles, and as far as the number of people engaged in it and the capital invested in it are concerned, agriculture ranks far beyond all the other industries of Canada put together.

At the time of the census in 1921 there was invested the vast total of $6,586,000,000 in this the greatest industry in the whole Dominion; the total number of occupied farms at that time was 711,000; and on any fair computation probably more than half of our population was then engaged in agriculture. On the other hand, all our manufacturing industries put together had a total capital investment in 1921 of only $3,210,000,000. In other words, the total amount of capital invested in manufacturing industries of all classes at the time of our last census was considerably less than half of what was invested in our agricultural industry. In like manner, the total number of people engaged in those industries, that is, making their living by employment therein, was vastly less than the number engaged in the agricultural industry.

Now, the whole argument of my right hon. friend this afternoon was predicated upon this—that it was necessary in order to bring about a golden era of prosperity in this country to develop, support and maintain manufacturing industries in Canada. One part of his resolution states:

> That such revision—of the tariff—should apply to natural products, such as farm products, fish and coal, with no less thoroughness than to manufactured goods.

Then how are my protectionist friends going to evolve a fiscal policy for this country through protection that will be of benefit to the agricultural industry? That is a fair question and calls for a fair answer. What are the exports from our agricultural industry to-day? First and foremost is grain, produced mainly in the vast prairie regions of western Canada. I have not the figures at hand, but I venture to assert that the value received last year alone in western Canada for grain and grain products exported amounted to at least $350,000,000. We have, I am glad to say, up to the present time excellent crop prospects for the present year, and if that crop matures on the same basis as it did in 1923 we should have 350,000,000 bushels of wheat and a large amount of other grains for export. I venture the prediction, Sir, that if my hopes in this respect are realized, Canada will have for export next year in grain and grain products alone an amount exceeding in value $450,000,000. Then we have our live stock exports and those of all the industries associated with the live stock industry. My statements are borne out by the trade figures for the fiscal year ending March, 1925, from an examination of which I find that of our total exports of $1,069,000,000, over $606,000,000 represented products that had their origin in the farms of Canada.

Now let me deal with that first. In all sincerity I ask: Of what value is the application of a protective policy to this the greatest industry in the Dominion? We export our wheat, we export our live stock, we export our dairy products; these form the chief items of export from our farms. Will any person in his senses, will my right hon. friend himself,

argue for a moment that a protective tariff is going to bring one dollar more to the farmers who have wheat, live stock and dairy products for sale? On the face of it the thing is impossible. It is true the protectionist endeavours to meet that argument by saying, "You may have to put up with these hardships for a while, but through the assistance of protection we shall develop the home market for you, and then instead of sending your grain abroad to Europe, your cattle to the United States or Japan, and your dairy products to the ends of the earth, they will all be consumed here at home, and you will be happy in the possession of this splendid home market."

Mr. LADNER: Does the hon. gentleman mean to say that the $606,000,000 represents wholly agricultural products in the sense in which we understand that term? Does not this total include rubber, whisky, beer, pulpwood, and a number of things of that kind?

Mr. CRERAR: I do not think that at the present time a very large amount of it would represent whisky. Of course with the advent of 4.4 in Ontario our exports in that line may grow.

Mr. FOURNIER: He did not see the point.

Mr. CRERAR: He did not. In the main I am taking the figures as they are classified in the trade returns of Canada. Now, I submit that protection is of no value to the agricultural industry. I go further, I assert that it is a positive injury to the industry.

Mr. LADNER: If the hon. gentleman will permit? Are there not large sections of this country engaged in agriculture that would like to have protection? I know in British Columbia and in parts of Ontario there is such a feeling.

Mr. CRERAR: I do not think those sections are very large or very considerable. I repeat, protection is a positive injury to the industry. If our farmers in the production of wheat, of dairy products and of live stock are to compete in the markets of the world and succeed, how are they to do it? First, by increased efficiency and lower cost of production. When you raise your protective tariff,—which my right hon. friend is going to impose upon this country if he ever occupies the seat of power again,—inevitably the result will be to increase the cost of production of our agricultural products, and with this increased cost there will be a lessened ability on the part of the Canadian farmer to compete in the markets of the world, where he has to sell his products against the products of agriculture from every corner of the globe. May I not then say with reason that the argument that protection will benefit the greatest industry in Canada is not a sound or valid argument.

Taking up again the question of our exports, what is the next chief item in our exports? We find it in wood, wood products and paper, which last year amounted to $253,000,000. Of what value is protection, let me ask again, to the manufacturer of wood or wood products or paper? My right hon. friend this afternoon gave some illustrations of the importation of woods from the United States and other countries. Woods will be brought in from the United States or other countries no matter how high you make your tariff; they will be brought in by some of the manufacturers whom my right hon. friend seeks to protect, because they cannot make their machinery unless they bring in woods which are not produced in this country. But protection is of no use to our forest industries, and it operates precisely the same in respect of these industries as it does to agriculture. When you send the woodsman out in the woods to cut down the trees, the cost of his clothing, his boots and shoes, his axes, his equipment—of everything, indeed, that he requires for the carrying on of his work—is increased by the application of this principle of protection which my right hon. friend argues is going to solve all our difficulties if he can only once more impose it upon Canada.

Now, from what direction must Canada expect to develop wealth? And before I come to that I might mention this significant fact, which I have called attention to on previous occasions and to which so far as I know there has been no answer—that although the Canadian fiscal policy for the last forty years has been aimed mainly at the development of manufacturing industries in Canada, at the building up of a great industrial mechanism in this country; notwithstanding all that, the total exports, for instance in the last fiscal year of our textiles and textile products, which have been among the most highly protected, amount to the rather insignificant sum of $9,711,000 out of a total of over a billion dollars of exports. My right hon. friend stated this afternoon, if I understood him aright, that if we kept all the textile machinery of Canada humming the year through we would add $100,000,000 annually to the wages earned by Canadian workmen. Well, granted that that is true, one of the difficulties of our textile industry in Canada to-day is that it is over-developed. But if it were possible to bring about that ideal condition,

and you had all our textile industries humming say three hundred days in the year, giving them a few days holidays outside of Sunday what would be the result? The production from these factories would be vastly in excess of what Canada could possibly consume.

Mr. MEIGHEN: The hon. gentleman has mistaken the point. It would be exactly what Canada is consuming, because I gave the figures of the importations used in Canada, and I stated that if we made those here the pay-roll would be added to by $100,000,000, being 80 per cent of $125,000,000, the importations.

Mr. CRERAR: Then I did not quite understand my right hon. friend, although I do not think he is quite correct in his figures. But that does not interfere with my argument. If our textile machines of all kinds in Canada were kept busy three hundred days in the year—and certainly they should be if they are to give employment to labour—I still maintain that their output would be far more than could be consumed in Canada.

Mr. MEIGHEN: Not without imports.

Mr. CRERAR: Without imports.

Mr. MEIGHEN: No.

Mr. CRERAR: Or take boots and shoes. We have 186 boot and shoe factories in Canada, and this industry also is overdeveloped. Notwithstanding the fact that these industries have enjoyed this protection for so many years they are unable to compete in other markets outside of Canada. Consequently the imposition of this policy means but one thing, that in order to get these industries, in order to build up a home market, which is a wholly illusory thing so far as agriculture is concerned or any of the other primary industries of Canada, we are going to place a tax on all the consumers of Canada and thus give employment to a few thousand people in these various factories.

Mr. MANION: May I ask my hon. friend a question, as a matter of information? Does he not agree that a home market for the 2,000,000 people dependent on the farms in Ontario and Quebec is of importance to them?

Mr. CRERAR: Of course it is of importance to them.

Mr. MANION: The hon. member said a moment ago that it was wholly illusory.

Mr. CRERAR: I say that the argument of the protectionist that protection will provide a home market is wholly illusory so far as the Canadian farmer is concerned.

[Mr. Crerar.]

Mr. MANION: Wheat farmer.

Mr. CRERAR: Yes, and cattle raiser and producer of dairy products. We are producing enough dairy products now to feed almost double our population. What are we going to do with them? Does my hon. friend propose that we shall extend our stomachs and eat twice as much food in order to provide a home market and thus build up industry? The difficulty with many of these industries to-day, as I say, is that they have been over-developed. Take the boot and shoe industry. The boot and shoe manufacturers of Canada have been after this government, as I suppose they have been after previous governments, to secure an increase in the protection afforded them through customs tariff, which they imagine they require. I venture to say that if you shut off the imports of boots and shoes altogether the boot and shoe factories of Canada could not remain in constant operation, because the industry is over-developed as a result of the unnatural manner in which it has grown up under this principle of protection. That is the chief weakness of their position to-day.

I submit that the sources from which Canada draws her wealth are mainly four. After all it cannot be disputed—it has never been challenged by any economist of importance—that wealth originates in old mother earth. We have our fertile fields, our agricultural production; I would put that first. We have, second, our forest wealth, which is vast and capable of continuous exploitation if we adopt, as we should, sound methods of afforestation and reforestation. We have, third, our fisheries on the Atlantic and the Pacific and in the innumerable inland lakes that are found throughout our country. And we have another great source of wealth in the mineral deposits of the country. We do not yet know what that is. Only a short time ago up in the northern part of the province of Quebec was discovered a mineral area that will probably rival the rich mineral areas of northern Ontario. We know we have minerals in northern Manitoba. We have them in Alberta. We know British Columbia is filled with them. These are the sources, then, from which to-day we are drawing our wealth, and I submit that it is the part of wisdom to evolve a policy in fiscal matters that will encourage the development of all this wealth. But that is just what the amendment moved by my right hon. friend this afternoon does not do; on the contrary, it places handicaps upon and barriers against the development of all these things, and consequently is bound to retard the development of Canada. It has

other objections, but it will suffice to point out at the moment that that is one of its effects. It is a wholly mistaken idea to imagine that it is necessary to have factories with tall chimneys in order to give employment to Canadian people. If you produce five hundred million bushels of wheat in Canada, you give employment not only to the men who grow that grain on the farms, but to thousands of men on the railways, to thousands of men in the elevators, and to thousands more in the banks and in every other department of human activity in this country. The same is true of the development of forest wealth and mineral wealth.

Mr. MANION: And manufacturing wealth.

Mr. CRERAR: And manufacturing wealth, I agree with my hon. friend. But it is not a sound policy, in order to build up your manufacturing industries, to raise your tariff and increase the cost of all the goods and things that are necessary for the production of what I may rightly call our natural wealth. I submit that that is an absolutely unsound policy for the development of Canada.

Mr. LADNER: The argument of the hon. member is interesting. May I ask if that has been the result in the United States where the protective system has been worked out? Have not internal conditions and internal competition kept the prices down to the minimum and lower than they are in Canada?

Mr. CRERAR: I do not agree, and further I submit that conditions in the United States and Canada are not analogous at all. The United States to-day comprises more than half a continent. I cannot recall at the moment its exact area as compared with Europe, but I believe that in square miles of territory the United States exceeds the whole continent of Europe.

Mr. MEIGHEN: So do we.

Mr. CRERAR: That is true, and I wish we had as rich a country and as varied a climate as the United States have. If we had as rich a country as theirs, and with their variety of climate, this country would have prospered in spite of this foolish policy of protection which has been foisted upon us for the last forty years. But the United States to-day, and for the last hundred years, has been the largest free trading area there is in the world. My hon. friend from Vancouver South (Mr. Ladner) will not dispute that fact. Moreover, the United States produces within its own confines practically everything that is required for human needs. Now Canada does not do that. My hon. friends to my right, even with their high protective tariff, are up against that fact like a stone wall. They are going to protect cotton goods, for instance. Now where are they going to get their raw material for the development of that industry in Canada?

Mr. MANION: From the same place that England did.

Mr. CRERAR: You have to bring it from a foreign country. Then you are going to protect rubber. We need tires for automobiles, and rubber products in a hundred different forms. But you must bring that raw material for the rubber industry from a foreign country to Canada.

Mr. MEIGHEN: Where does the United States get her rubber?

Mr. CRERAR: Where it can buy the cheapest, like we do in Canada.

Mr. MEIGHEN: Why would not we?

Mr. CRERAR: Is it not sounder to so shape your fiscal policy that you will develop the wealth that is at your doors, rather than bring in raw material from other countries to give employment to a few thousand workmen in Canada?

I go on, because this resolution, the more you examine into it, sounds more and more like a fairy godmother holding out something good for everyone who approaches. I do not wish to take up the time of the House unduly, but I do wish to say a word or two about the strong appeal which my right hon. friend the leader of the opposition made to the ranks of labour in Canada, and I noticed he had his eye on the labour representatives in this House at the time he was making that appeal.

Mr. MEIGHEN: And out of the House too.

Mr. CRERAR: And out of the House too. There is no denying the fact that a great many of the labour people of Canada to-day have been deluded by this principle of protection, and they still think it will be a cure-all for their troubles if it is adopted. But again it may be argued, and argued successfully, that protection is of no particular advantage to labour. If you could reduce the living costs of the labouring man, you could enable him to work for lower wages and still be as well or better off, and if you do that, you put your factories in a better condition to compete with the world. My right hon. friend the leader of the opposition did not argue this afternoon that this resolution would be of benefit to agriculture in Canada.

Mr. MEIGHEN: Oh yes.

Mr. CRERAR: He declared that in the resolution, but for some reason or other he did not argue that it would be of benefit to agriculture in Canada.

Mr. MEIGHEN: Oh yes I did, most distinctly.

Mr. CRERAR: He said it was an all-Canadian policy, and he cited the development of Canada under the protectionist policy from the years 1901 to 1921. But the development of Canada during that period took place practically all in western Canada. What was the loadstone that attracted people to western Canada? The fertility of the soil and the fact that a man could get 160 acres of as fine land as existed anywhere on the earth for the insignificant sum of $10. That is what took them to western Canada. Even the figures my right hon. friend quoted this afternoon were not in any sense conclusive, because you have to take into account the difference in the purchasing power of the dollar in 1901 as compared with 1921, and that is a very considerable item indeed.

My right hon. friend, as well as my hon. friend from Centre Toronto (Mr. Bristol), also dwelt upon the loss that Canada was suffering through the numbers of people who were leaving our borders to go to the United States. That is nothing new in Canada, and my hon. friends are not on very good ground when they take that position. In 1878 the National Policy, so called, was introduced into Canada, and it was put into effect at the next session of parliament, I believe, in 1879. Well, it surely had an opportunity to get into full blossom and show what it could do within the next ten years; and bear in mind that our tariff at that time was higher than it has ever been since, because the tendency from 1890 onwards has been downward in the main. Well in the period from 1881 to 1891 just about 400,000 Canadians left this country to go to the United States, when our population was about half what it is to-day, and this happened when the protective policy which my right hon. friend lauds as the cure-all for our ills was in full flower. We had it then in all its glory. If it had efficacy, surely it could have shown it then.

Mr. STEWART (Argenteuil): It settled up both the Dakotas.

Mr. CRERAR: Yes, and many other of the states as well. Then we come down to 1911, when my hon. friends to my right came into office, and they continued in office until 1921. I admit that I shared for a portion of that time responsibility with them. My right hon. friend this afternoon dwelt on the fact that the duty had been taken off tractors under a certain value. Well, that was done at a time when he and I were colleagues in the same government, and he will bear in mind, I think, that at all times and in all places I was a consistent advocate of getting the duty off these tractors. Now, the reason why the duty was taken off tractors of that class at that time was to encourage increased production in Canada, and everyone then was agreed that it was a necessary step. If it was good policy then it is good policy to-day. But from 1911 until 1921—during the ten years that my hon. friends were in office, with the assistance of a few of the rest of us for a short period—the emigration from Canada to the United States was just about three-quarters of a million souls, seven hundred and fifty odd thousand. Now here again, bear in mind, we have the protective tariff. In 1915 the then Minister of Finance, Sir Thomas White, brought in a flat 7½ per cent increase in the customs tariff on the ground that it was for war purposes, and it is a rather significant fact that in 1916 the emigration from Canada to the United States jumped from 82,000 to 101,000, and in 1917 reached 105,000; and I say that a very good argument can be put up for the contention that the protective policy has been responsible more than anything else for the emigration of Canadians to the United States.

But my right hon. friend and his party, when they come into office, are going to cure all this by creating a tariff commission. I would direct the attention of my hon. friends around me to the fact that this tariff commission is to be representative of agriculture, of the manufacturing industries, and of labour. Presumably the commission would consist of a representative of industry, a representative of labour, and a representative of agriculture. I think my right hon. friend in outlining this afternoon the functions of this tariff commission made the statement that it would not be a commission to determine tariff policy. In that he is quite right. There is a great deal of talk about tariff commissions in Canada and the work that such commissions could do; but no government or no parliament in Canada can turn over to any tariff commission the shaping of public policy in matters of the tariff. The tariff cannot be taken out of politics in that sense. Therefore my right hon. friend is on sound ground in that respect. He says, therefore, that the only object of

the tariff commission is to see where the level of protection should be maintained. In other words, he will endeavour to protect the public, through this tariff commission, from exploitation. The tariff commission will therefore be framed with wide inquisitorial powers. From the very facts of the case it must have those powers if it is to discharge its functions. Now how will it operate in practice? You have an industry in Toronto, for instance, where there is skill and ability in management, and it is a prosperous industry. It is making a very considerable profit, a wider margin of profit, perhaps, than my right hon. friend or his tariff commission would think justifiable under the protection that the industry might enjoy. You go across to Hamilton and you find another concern engaged in the same industry, manufacturing the same class of goods, and finding it difficult to make both ends meet. That is a case that exists in industry in this country, in fact exists in industry in every country in the world. Now, I ask my right hon. friend on what basis is his tariff commission going to decide whether there is too much protection or too little protection? Will it decide on the basis of the industry that is struggling along and cannot live, or will it decide on the basis of the industry that is earning handsome dividends and could get along with less protection? There is no tariff commission appointed in this country or in any other country in the world that can determine those questions; and it will be settled in the final analysis in this country, if we ever have a tariff commission of that character, in this way: it will be found that the tariff commission exists for the maintenance of the protective tariff and it will be used as an engine for that purpose. What is the experience of the tariff commission at Washington? It is the most futile, hopeless body that you could find anywhere on the face of the earth; and when there is a member of that commission—as has happened in the last year—whose views on tariff questions run counter to the views of the party in power, every instrumentality is used by that party to displace him and put in someone else who is in sympathy with their ideas. The whole thing is fallacious, impossible, and useless. Judged therefore by any standard that you wish to apply this principle of protection in fiscal policies whether with or without a tariff commission is unsuited to the development of Canada to-day.

I agree with the sentiment uttered by my right hon. friend in the concluding portion of his speech this afternoon. I am a Canadian. I want to see Canada prosperous, I want to see Canada prosperous from the Atlantic to the Pacific, and I abhor anything in the nature of special privilege, anything in the nature of legislative enactments that will assist one section of the people to exploit another section in any manner whatsoever. We have got a great country. It is true, Sir, that to-day we are facing many difficulties. Some of these difficulties are of our own making; some of them are difficulties that naturally result from the tremendous effort that Canada made during the war. But I am not despondent for the future of my country. We have a country of vast and rich resources; we have a country with a vigorous, virile, self-reliant people who will always continue so. But while we have all that, we have admittedly difficult problems to face. There is no more pathetic or tragic picture in my mind to-day than the position of the Maritime provinces down by the Atlantic ocean. We talk of our difficulties in western Canada, but I have come to appreciate—from the wider knowledge I have secured in this parliament—that the problems of the Maritime provinces or their difficulties are vastly greater than ours in the west. Their population is dwindling. My right hon. friend did not argue this afternoon that protection had been of any value to the Maritime provinces. It would be a mighty difficult argument to make in the face of a resolution passed unanimously in the legislature of Nova Scotia, supported by the Conservatives in that legislature, practically stating in effect that the policy of protection had worked injury on the Maritime provinces as it undoubtedly has. I say in all seriousness, Sir, that if my right hon. friend wishes to unite Canada I am with him on that. I do not wish to see any section of Canada set against another section, I wish to see this country grow up as a whole with a fine Canadian spirit; and the bond that unites the New Brunswicker and the British Columbian, the Albertan and the Nova Scotian, is the fact that they are both inheritors of a common heritage, which is one of the finest in the world. I want to see the country united, but I submit that it cannot be united on the policy of higher protection that my right hon. friend advocates. Some may believe that this policy will benefit Ontario or Quebec; but I venture to assert, Sir, in all earnestness in all seriousness—not only for the consideration of my right hon. friend but for the consideration of all within the sound of my voice—that Canada cannot be united on such a policy, and for this reason if for no other, I shall vote against the amendment.

Hon. J. B. M. BAXTER (St. John City and Counties of St. John and Albert): In rising to add what I trust shall be but a few words to the discussion of this resolution, I am moved to express some regret that the budget debate had not taken the turn that this shorter debate has assumed, because I think that we shall within a very few hours have compressed, after all, the outstanding features of the policy of the two and one-half Canadian parties. I was impressed by the reply that was made to my right hon. leader (Mr. Meighen) by the right hon. Prime Minister (Mr. Mackenzie King) and also by my hon. friend (Mr. Crerar) who has just spoken. It encourages me to rise after hearing those two replies, and to feel that the old Conservative party, by this long delayed resolution, is standing four square before Canada to-night, with the old policy restated and adapted to modern conditions, with the resultant sincerity which has always marked the party of Macdonald and Cartier. I hear from my hon. friends opposite a declaration of expediency as an answer to my right hon. leader, and I heard from my right hon. friends to my left a declaration of innate and intensive selfishness.

Some hon. MEMBERS: Oh, oh.

Mr. BAXTER: I am not using the phrase in an offensive sense, and if I may be permitted to speak in this House without too much interruption, I think before I get through, and without taking very much time, I will have demonstrated my point of view. It is not at all important to place a point of view before this House. No one expects as a result of this proceeding anything except an enormous majority, which will be headed in the papers as another victory for the government and its allies. Now my hon. friends could not restrain themselves. They had to applaud the moment I mentioned the word "government," but I was careful to add "and its allies"—its quondam allies.

An hon. MEMBER: Allies in the war.

Mr. BAXTER: Surely no hon. gentleman on the other side of the House wishes to lead this discussion into a further consideration of matters connected with the war. That is about the last thing I would expect to-night. I would not think it was necessary or expedient. The declaration that my leader has made is, as I have said, a reaffirmation of the policy which brought Canada out of despondency and gave her a place among the nations.

Mr. MARTELL: Will my hon. friend permit a question?

[Mr. Crerar]

Mr. BAXTER: No, your hon. friend will not. My hon. friend's hon. friend has too much good feeling towards him to permit him to indulge in some exuberance which would probably not be at all to his credit.

Mr. MARTELL: I was going to mention that Hon. Mr. McCurdy stated that protection was no good to the Maritime provinces.

Mr. BAXTER: If my hon. friend can refrain, I will deal with the Maritime provinces before I am through. I much prefer to deal with this subject in my own way and the only effect interruptions of this character will have will be to increase the time I will occupy in discussing this matter, and I would rather abridge my remarks. The declaration of my right hon. leader is addressed to the people outside of this House, and the people who, within a comparatively short space of time, must have an opportunity of deciding the policy by which Canada shall be regulated during the next five or perhaps ten years. The last time we had a federal election we were met in the Maritime provinces, and I believe elsewhere, with the statement that the tariff was not an issue. I heard that statement repeatedly and the people of Canada heard it repeatedly, and were fooled by it. Many industrialists voted for the present government believing that they would have the tariff stability which marked the administration of the Right Hon. Mr. Fielding. They have not got that, and just in proportion as the government, looking across the floor of the House, has, yielded step by step—and step by step in the right direction as some people call it—to the importunities of a centralized selfishness, which we have heard dictated to-night, just in that proportion the government is using the support of the men who are worth while in the two great central provinces of this Dominion. They do not believe it yet. They will wake up with a shock to a realization after the votes are being counted; and a little laughter in this House and a little jeering will not avoid the result so disastrous to Canada.

Mr. CANNON: Why does the hon. member leave us?

Mr. BAXTER: I did not catch the interruption.

Mr. CANNON: Why does the hon. member leave us to go back to provincial politics, if the prospects are so rosy?

Mr. BAXTER: If my hon. friend wants an answer he had better go down to New Brunswick and interview the leading men of

that province who have been good enough to think that they require my services outside of political party lines. I prefer to-night, while I am still in the realm of federal politics, to discuss matters from the federal point of view. The answer my right hon. friend the Prime Minister gave was that during the long debate on the budget we had discussed this matter fully enough, and he said that he would treat the motion of my right hon. leader as one of want of confidence. He further said that it enunciated a policy opposed to the fiscal policy of this administration. I was very glad to get that declaration, because after making it it will be very difficult at the next election to deny that the present government is opposed to the policy upon which the Conservative party will stand. There is no need for customs, there is no need for revenue.

There is between the minds of men an absolute line of cleavage on this question. The government and their Progressive friends, varying in degree, take the one side and the Conservative party takes the other side. The country will be asked to settle which course it wishes to pursue, or, in other words, which course is most to its advantage. My view is that the policy of the government is very largely dictated by the opportunity of support, and that if many hon. members to the right of Mr. Speaker were free to express their deliberate convictions, untrammelled by the associations of party, we would have a very strong pronouncement from the right of Mr. Speaker in favour of the resolution of my right hon. leader. Political conditions, however, do not make it possible for hon. gentlemen opposite to express themselves, and we shall have to-night a good many stifled consciences and regretful votes?

I have been asked by interruption—but I meant to deal with it in any case—as to the attitude of the Maritime provinces, and I thank the hon. member for Marquette (Mr. Crerar) for his kindly reference to the Maritime provinces. He and many others in this House are just beginning to get their eyes opened to the condition of the Maritime provinces; but I trust they will not rush in rashly with self-constituted remedies and imagine that they can re-create the Maritime provinces by means of a sort of remedy that they would apply to conditions in the west. It is true, I think, that in the legislature of Nova Scotia certain resolutions were passed such as have been referred to to-night. It is true also that to a large extent the Maritime provinces have nothing to gain by a tariff policy. They have, however, in certain lines, especially in Nova Scotia, a great deal to gain by that policy, though I would not say that it would be regarded by all the people of the Maritime provinces as a panacea for their ills, and I do not contend that it is.

Let me put before the House this position of the Maritime provinces, and I do not want to make this matter sectional at all. What is our experience of tariffs outside of Canada? The hon. member for Marquette has spoken, I think even for him unusually well with regard to the great resources of Canada and the desirability of fostering Canadian sentiment which will utilize those resources. I am satisfied he wants to help, but I should like to give him an illustration from the Maritime provinces. The United States, of its own volition, pursuing its own policy, many years ago imposed a tariff upon lime. Lime is a natural product of the Maritime provinces. I remember, when I was not much more than a mere boy, seeing along the St. John river dozens of little fires at night. They were the beacon fires of the lime kilns. Wherever you saw that light burning, there were not far away many homes that were being supported by that industry. We were sending the lime into the United States; but the United States government discovered that lime was a natural product of the state of Maine and up went her tariff wall. The fires on the St. John river were extinguished and the lime burners either found other occupations or were part of the exodus from this country. Tell me, after an example like that, which our people know and have experienced, that a tariff is not an effective weapon for the maintenance and development of home industry. Is it possible that we can develop a home industry in the state of Maine to the point of extinguishing a home industry in another country and that the reverse will not be true? I want to light those fires on the St. John river again, and I want a policy that will do that. When I look for that policy I am not looking from the standpoint of the Maritime provinces, with the exception of the steel and coal industry, for a tariff policy as the great agency which will revitalize those provinces.

Mr. WARNER: May I ask a question?

Mr. BAXTER: Most certainly not in the middle of something which I am trying to explain. I have to look, as every man in the Maritime provinces has to look, for help from some other part of this country. Where can we get that help? Can we go to the prairie provinces of Canada and expect people

10 p.m.

who contribute not much, if anything more in proportion to the income tax of this country than we do ourselves to help us? Have we not heard here through every session of this parliament of the pitiful condition of the west from its exponents in this House? Are those the people whom we can ask to bear more burdens in order to help us out? They have told the country repeatedly that they cannot carry the burdens that are upon them at present. Therefore, we cannot expect from them any help. Where then must we go? We in the Maritime provinces have to turn to the two old organized provinces of Ontario and Quebec and to ask them to carry our burdens, and they do so, those provinces that in the main made the west posible by carrying the burden of transportation, those provinces that have developed their own industry and that, I think, have a right to ask for some consideration from the rest of Canada if they are called upon to give consideration to the other parts of this Dominion.

Let us put this in a fair manner. Blot out your tariff; realize the extreme imagination, if I may call it that, of the Canadian Council of Agriculture. You will destroy practically every industry in those two major provinces. You will lessen their power to bear the general burden of the public debt and the necessities of the rest of Canada. You will declare that agriculture and agriculture alone is the aim of Canadian citizenship. Can the several provinces of Canada, if they are put upon that basis carry the load or is it not better to do for the two great provinces those things which will enable them to carry the load, and for the rest of us in the west and in the extreme east to put up with a set of conditions which, perhaps, we might not choose if we were entirely detachable from Canada and formed an island somewhere in the Atlantic ocean.

That is the question as I see it. Our problems to-day are not merely tariff, they are transportation. The hon. member for Marquette (Mr. Crerar) has spoken with just pride of the millions of dollars that will come into Canada as the result of the next grain harvest, but we will not get an enormous amount of income taxation on that money from the western provinces, and the possibility of getting the money into the country at all depends upon the factor of distance which has to be overcome. Not a man from the west but must admit that this country in some way or other must shorten the distance from the wheatfields to the sea. That is the work which the rest of Canada has to do for the west, in order that the west may compete with other countries on a fair basis in the markets of the world. That is the help the west requires. What the east requires is to shorten the distance for its products to central Canada. To do either one of those things—both of them are necessary—requires the expenditure of money in some form, either by, in a sense, subsidizing the railways, or by bearing a greater railway deficit than otherwise would exist. But to get that money where are we to look? You cannot take it from the Maritime provinces, you cannot take it from the west. Ontario and Quebec, after all, have in the main to bear that burden. And it is nothing but a narrow policy, a selfish policy and a shortsighted policy which would deny to them the support of the tariff barrier which will enable them to develop their resources of a different kind from agriculture to the full extent that they can develop them. In this there is not one word of antagonism towards agriculture, nor towards any section of the country. Agriculture, as we have come to understand it in this House, is of at least two kinds: there is the agriculture represented by the wheat grower in the west; there is the agriculture—also important—represented by what might be called the ordinary farmer in the central provinces and in the Maritime provinces. Those men have their home market; they too have competition—competition from the United States. If our people do not want to pay higher prices for early products, let them do without them; they should not pay higher prices for these products grown on the other side of the line. If we have any money to pay on early luxuries, let us pay that money to our own farmers, or let us contribute to the country if we treat those things as luxuries.

All of this is embraced in my leader's platform. That platform is as broad as from the east of Canada to the west, as from the north of Canada to the south. It is a mutually supporting proposition; it looks for aid from each part of Canada towards the other parts of Canada. It does not say to the man who is interested in minerals, "You stop and wait until the mines in some other part of the world are exhausted, then your mines will be in requisition." That is the effect of what I heard once, not in a public discussion but from my hon. friend from Marquette, who said, "Oh, we would still have those lime deposits in New Brunswick, and it would be only a matter of time until their development would come about in the natural course of things." I cannot reconcile myself to a policy—or a want of it—which deliberately throws to ages away, the development that I

want. I want that development to come about now for my own part of this Dominion. I want a policy that will enable us to go into the mines, to go into the quarries, to go into every aspect of industrial life that can be developed in this country, to start now and get to work, for we need the population which work will bring, and we need the material returns which we can obtain from such development.

Mr. CANNON: What is that policy?

Mr. BAXTER: Well, I am sorry that my hon. friend has been so remiss in his attendance.

Mr. CANNON: I have listened most carefully and I am waiting for him to announce his policy.

Mr. BAXTER: The policy enunciated by my right hon. friend.

Mr. CANNON: Protection?

Mr. BAXTER: It is protection. It is Canada for the Canadians; not Canada for the United States.

Labour has been touched upon. Labour will settle these questions itself. But it always surprises me when we realize that great free trade exponents like John Bright and John Morley actually considered that there was good to the country in reducing the wages of the industrial population. All that those men were able to see was England manufacturing more cheaply than any other nation. They cared nothing, great men though they were, for the submerged tenth of the slums of the cities. Cheap labour! I do not want cheap labour. I do not think that cheap labour is good for the country. Let us have protection for the labourer, so that he may earn decent, reasonable wages. This is the only way to keep a good type of people in this country, and to give them as constant occupation as is possible. The present policy of drift and of chipping at the tariff year by year will not do it, has not done it, cannot logically be expected to do it. We have the example in boots and shoes, some reference to which was made to-night. I heard a suggestion from the other side of the House, where I least of all expected to hear it, that inordinate profits had been made in that business. We know as a matter of fact that with the lowering of the tariff against Great Britain the direct result has been the importation of hundreds of thousands of pairs of shoes—made possibly by British workmen, but also possibly made partly by German workmen and sent in to England to be finished. Those shoes have come into this country. and for every pair of shoes you bring in, one pair less must be made by the hands of Canadian artisans. That is a proposition so evident that not even the most extreme free trader can deny it. Now, someone will say that this is not loyal, we ought to be loyal to the Motherland. I think Canada's loyalty to the Motherland does not stand under any shadow of doubt. As between countries, Canada ought to give the preference in everything to the Motherland; but as between the Motherland and Canada, we ought to see that our own home fires are kept burning first. In other words, there is no escape from the doctrine of, Canada for the Canadians first, last and all the time.

I wonder if when my hon. friend from Marquette spoke of agriculture representing more than half of the development of Canada, or furnishing more than half of Canada's total trade, and that the other industries occupied a secondary place—I wonder if he gave a moment of reflection to the idea that his declaration contained a suggestion that industries other than agriculture might be comfortably allowed to go out of existence, and that the agricultural industry was, after all, the only one worth preserving. That was the direction in which his feet were turning, but I have too much respect for the strong mentality of the hon. member for Marquette to think that he would walk very far along that road if he were charged with the government of Canada. I trust, at all events, that he would not. But for the voter of Canada the issue is clear. Shall we have a policy which will maintain both industries and agriculture, or shall we throw one of them into the discard and have only half a nation, where we have an opportunity to have a nation fully developed in all its interests and all its possibilities?

We in this party, despite the vote that will be taken to-night, are confident that the principles enunciated by my right hon. leader will appeal to the people of Canada with most favour at the time of the next contest. At all events, the people of Canada will know that this party has repeatedly sacrificed opportunity for the sake of remaining true to its traditions and to its political faith. It has never sacrificed its platform for the sake of a vote. It has never discarded its platform. It has never been reduced to the weak expedients of regarding its platform as a sort of indefinite charge and of proceeding in any direction which would ensure for the moment the greatest political support. Our fidelity to our ideals is, after all, what gives us the assurance that when the time of trust-

ing comes, the people of Canada will trust the men who stand true to their principles rather than take a chance with a party guided by mere expediency, or, on the other hand, with one which takes a purely selfish view of the problems of this Dominion.

Mr. JOHN EVANS (Saskatoon): Mr. Speaker, I make no apology for discussing this question at this time. Since the leader of the opposition (Mr. Meighen) has seen fit to bring it forward again, I think I may add something to the discussion of the question, viewing it simply from the point of view of its merits.

In 1878 the National Policy of protection was inaugurated in this country by the Conservative government of that day, and that policy has ever since been rigidly maintained for the Canadian manufacturers. That it was a mistaken policy for the nation is amply proved now by the fact that it has failed to do what was expected of it. Its advocates in this House find it necessary to-day to suggest a further and greater increase that will give the Canadian manufacturer a price fixing power. This they think is necessary because they have always relied on that power of price fixing, so that they may charge the home consumer a price that will ensure a profit on both home and export trade. That is the situation as I see it.

The member for Centre Toronto (Mr. Bristol), failing to discuss this question on its merits, hurled ridicule at those who do not see as he does. His charge that we want to destroy other industries is wrong; in fact, Sir, it is viciously untrue. All we ask for ourselves is to be left alone to develop our own industry and to work out our own destiny in our own way, and we also accord that right to the manufacturers of this Dominion.

The leader of the opposition this afternoon declared that years ago under this policy Canada was prosperous; that it developed as no other country did; that everybody was busy. The fact is, Sir, that during the period he speaks of, one of the greatest agricultural areas in the world was opened up for settlement—western Canada. But that was only partly the cause of the great wealth and prosperity that prevailed in Canada during those years. In that period we borrowed money as no other nation ever did, and our immigration was carried on to a large extent, at great expense, and much of it through a misrepresentation of what we possessed in this country.

Now, the resolution is adroitly worded to catch the eye and support of the unthinking of our people. It is meant to provide a trap in which the unwary will be caught who are dissatisfied with conditions in manufacturing, in labour and in agriculture. According to the resolution, these three are now to have a share in the privilege and responsibility of setting this country again on the way to prosperity by bringing the old National Policy up to a definitely, consistently protective basis. In the first place, Sir, the National Policy of 1878 is still in force, as it has been ever since that date; the only difference is that as regards protection it is much more forcible at present than it has ever been. The manufacturing industry has always had that protection at the expense of both agriculture and labour, and no amount of oratory can now persuade this House that this is not the case. If the Canadian manufacturer to-day is finding it hard to make the profits he did in former days, it is due to two reasons. First of all, labour is organized, and, secondly agriculture is bankrupt. Labour has been compelled by the manufacturer, in selfdefence, to organize, and the purchasing power of the agriculturist has disappeared through the high cost of everything he needs to use in his productive work and in the marketing of his produce; because it is not only in what we have to buy that the tariff rests so hard on agriculture; it has an adverse effect as well on the profits in connection with the marketing. These words, "to preserve and enlarge the Canadian market for Canadian farm products" are the very bait that is supposed to lure the unwary agriculturist into the trap. Indeed, my hon. friends to my right have repeatedly advocated in the House this session a protection for the Ontario and Quebec market gardeners. It was largely an inducement of that kind that caused the United States agriculturists to accept the Fordney-McCumber tariff proposals, but I do not think that at this time the Canadian farmer can be deceived by any such chaff.

Canada will be an exporting country of agricultural products for many years to come. Farming is the basic industry of Canada, and all other industries should be made instrumentally useful to this basic industry, instead of sacrificing the basic industry, the one on which this country depends for its yearly income, to other industries which in most cases are only artificial, some of them exotic and superfluous. The manufacturers themselves admit that they cannot now, and never have been able to stand on their own feet. This is either because they are incompetent, or their industries are exotic. They admit that

the finished products emanating from their factories are really worth less than the raw material and the workmanship that enters into their makeup. Nay, more, they admit that the protection they have received during the last forty-seven years is not now adequate to meet that loss. They have during all this time preyed upon agriculture, the one industry that can stand on its own feet, and they have brought that basic industry to bankruptcy, and, of course, as a consequence destroyed the purchasing power of those who should be their best customers. During all this time they have lost no opportunity to consolidate their position of professed penury. They have practically under control now nearly every newspaper in the land, and these wells of information have been poisoned by the dope of class privilege until our people to-day to a large degree are made insensible to their state of captivity. Organized labour they have found hard to control as to wages, but even that class has been in many industrial centres made subject to the dictates of class privilege, until at election time the workers by intimidation and other means have been prevented or practically debarred from using the franchise as free men and free women should.

There is another feature beside the economic that accompanies class privilege. Many national features to-day contribute to doping and stultifying the minds of our citizens so that they may not realize the state of captivity they are in. Those who have this country's welfare at heart cannot fail to take note of the moral as well as the economic side of class privilege. Capitalism has been enthroned by class legislation until its baneful influence is felt in every walk of life. Our colleges, universities, schools, even our churches and places of sport and amusement come under its icy control. Perhaps there is no better evidence of the depraved condition our past policy of privilege has landed us in than that the advocates of manufacturing industry to-day are advocating legalized robbery as their right. Industry leans, and has leaned for nearly fifty years, on the politician. The one has been made necessary to the other. Both seem to be depending on the loot, perhaps one for profit, and the other for strength at election time. Anyway it has proved for this country a bad combination.

Whatever the tariff may be, whatever meaning you may attach to protection, it is after all, simply a license to rob the people to that extent. It is predatory, that is, characterized by plundering. It is ravenous; it is never satisfied. The word definite cannot be applied in a logical sense to class privilege. The amazing thing, Sir, is why the people have so long tolerated it as a national policy. Well, the people may be fooled, but the amazing thing is the depths of political depravity to which a succession of Canadian governments could descend in their prostitution to money and influence. When I use the word robbery in connection with the national policy I mean it in its fullest sense. To lay with one hand the power of the government on the property of the private citizen, and with the other bestow on favoured individuals, to aid private enterprise and build up private fortunes, is none the less robbery because it is done under the forms of law and is called taxation.

The resolution states that our present industrial stagnation is due to a strengthening in late years of the protective system the world over, particularly in the United States. This is not so. The situation we are up against at present is of our own making. Because of a strengthening of class privilege in this country the cost of living, and consequently the cost of production, has been raised to a point where it is no longer profitable to compete in the world's markets, either in natural or manufactured products. The right hon. leader of the opposition now seeks a price-fixing power for the manufacturer that will enable him to export his goods at a loss and charge the home consumer a price that will give him a profit on both his home and export trade. There is no industry in this Dominion to-day that can stand that. Agriculture cannot longer make up that loss. After nearly fifty years of class privilege, the manufacturing industry of this country has created a condition where it must now stand on its own feet. This policy has gone on for forty-seven years, and industry seems as badly off to-day as they said it was when this legal privilege was first given to it. The right hon. gentleman who moved the resolution would now make this legal privilege definite; that is, I suppose, exact, precise. Well, it cannot be done. We have a tariff already too high, and the higher it is the more it puts the cost of producing in all lines of activity out of line with world's prices on a competitive basis. If the United States is mentioned as being our chief competitor, the only thing for Canada to do is to keep the cost of living and the cost of production below that of that country. There is no other salvation for Canada but to make the cost of production here cheaper than it is in the United States. All the price fixing power that we give to

our industries will be useless. To lower the cost of living is imperative. "To give new life to industry" says the resolution. It is beyond my comprehension why intelligent men in this House will advocate a larger dose of the debauching dope which has already rendered industry impotent. But to advocate a higher tariff to create productive enterprise is, to me, exceeding the bounds of reason. Enterprise and protection are two extremes as far apart as the east is from the west. Class privilege or tariff protection—perhaps a better name would be trade prevention—has killed enterprise in this Dominion. Our manufacturers themselves have been debauched by it. They have relied on privilege for profits, and they have not developed enterprise to keep abreast of competitors in the matter of the quality of goods or by the adoption of up to date methods of production.

Again, the resolution speaks of a desire—

—to stimulate the development of Canadian resources by the Canadian people and thus create employment for our workers.

Well, let us look at things as they are. Class privilege has created a condition of affairs in this country as a result of which our capitalists prefer now to invest in foreign enterprises rather than develop our own natural resources. It has brought this country to this state of uncertainty—,that those for whom privilege was first established find it safer to invest Canadian earnings in South American cities: The light, heat and power plants of the cities of Mexico, and Rio de Janeiro, the Cuban sugar cane industry, the Savannah railroad, the Brazilian Traction Company, have all been boosted with Canadian capital; and they prefer to put their money into such investments rather than give our own men employment in our own mines and mills. There is no lack of capital, there is no lack of raw material, yet our manufacturers will import sometimes half a billion dollars worth of raw material, which under natural conditions we could supply ourselves. At the same time our working men are existing below the normal living line, or emigrating; and to-day, notwithstanding all the privileges we have given to that great company in Nova Scotia, the British Empire Steel Company, they are importing iron ore and also,—and this seems to be worse—,their Montreal house to-day is importing coal from the United States on which they can make money rather than by trying to do so on the product of their own mines. I say that class privilege has been a direct failure in this country. Rather than develop the resources of Canada with our own capital the owners of capital have deemed it more profitable to invest in foreign countries. The idea behind the whole resolution is a further concentration in the hands of the already privileged classes. The leader of the opposition has exhorted us to follow the United States in their tariff policy. Yet the grain and cotton producers of the United States are quite as dependent on the foreign market to-day to make a price for their products as they were a hundred years ago and more so. But just as the dog in the manger who could not eat the hay himself, so our enterprising Canadian industrialists want to place an embargo against the exportation of some classes of raw material and power. The protectionist always believes that it is to his advantage to hamper the movement of others rather than develop his own resources and bring his own enterprise into play.

The paragraph of the resolution dealing with the preference is a direct attack on the British preference. It calls for preference for preference within the empire, and the Canadian manufacturer somehow believes that because we tax British goods slightly less than we do goods from Germany or other countries, Britain should tax her people so as to give us more for our goods than we can get elsewhere. Britain is prosperous because she keeps down the cost of living for her people. It is not likely, either, that she will materially depart from her present system. Britain is the market of the world, and she knows that those who come to her shores with the wares of other countries will purchase something for export that she is well able and particularly fitted to supply. Great Britain is giving us a free market, and there is neither chivalry, patriotism, nor business sagacity behind the demand for the preference in her markets, or the demand that we abolish the preferential column in our own tariff schedule. This country to-day is relying on the exports of agriculture to produce its yearly income, and we are relying on Britain for a market for such products. We in our blindness have granted also privilege to the extent that the products of the farm cannot any longer be grown at a profit. Yet we are asked to abolish the British preference and put the cost of raising these products, on which the Dominion depends for its income, on a much more difficult basis, for the sake of a class of producers who are already privileged and still admit incompetence and helpless impotence in connection with the industries they are engaged in.

A circular reached me last year from Carleton Place announcing the closing down of what they call the Hawthorne Woollen Mills in that town. Whether they did actually close down or not I do not know; or whether they were trying to scare this government into granting a higher duty. Now, the owner admitted that even under the British preference he was still receiving from 15 per cent to 24¾ per cent advantage by tariff protection. Yet he said the competition from Britain was destroying his business because he did not have what he considered sufficient price-fixing power. Well, here was that mill situated in the area of what the resolution calls "the markets so developed" with the advantage of 24¾ per cent in price-fixing, enjoying cheap power and cheap water, and not able to compete with the industry in Britain over 3,500 miles away. I ask, what use is it for this country to tax itself further to keep going a concern which is not paying, and at the same time to demoralize the industry that can live without help? The living cost in this country would have been much higher in the years gone by than it has been had it not been for the British preference. The crisis in agriculture would have come sooner but for the British preference. The logical thing to do is to seek free trade within the empire. The trouble with Canadian industry to-day is not due in any way to the war, which excuse we are so prone to use. It is not too much to say now that a million farmers in Canada are short of some of the manufactured products they can with economy use, but their buying power is gone. The reason they do not purchase is because the price charged for manufactured products is fixed by the manufacturers according to the powers given them by tariff protection. Added to this is a further discrimination in the law which classifies the citizens according to the rules of the manufacturing and distributing combine, whose rules are recognized in the legislation of this land. So that instead of 15 to 24¾ per cent it is more like 50 or 60 per cent. Any importer outside the privileged ring never knows what he will have to pay if he imports anything.

I have reference here to the Customs Act regarding trade discounts and the dumping clause which together gives the combine unlimited domination over the manufacture and distribution of all commodities.

Another thing the resolution asks for is a tariff commission. The idea of a tariff commission is that, under a body of men further removed from the people than their elected representatives class privilege may go on unhampered, that the people's rights may be more unrestrictedly bartered away by the politician. It is to be a screen behind which the piratical legislation can be enacted, and the henchmen of privilege in the House of Commons will be immune from attacks by public opinion. It is to be a cloak of hypocrisy by which it is hoped the people will be fooled. It is all designed to keep dark the doings of the great ring of privilege of which the politician forms the chief part.

But perhaps the greatest incongruity in the resolution lies in the last paragraph. It reminds me of the Kilkenny cat fight. The last paragraph of the resolution is like placing the tail of the last Kilkenny cat into its own mouth. A subsidy to the railways will have to be borne by somebody, but what would rich Toronto or rich Montreal care how much they subscribed to the railways by way of subsidies so long as they were able by tariff privileges to pass it all on, on the price of manufactured goods, till it comes down to the man on the land who has to meet the competition of the whole world, which includes the products of the cheapest labour in the world, Europe and Asia alike.

I ask right thinking men to-night in this House if there is any justice or fair play in a system of that kind. I am sorry that the right hon. leader of the opposition only sees this country within the confined precincts of those interests which live upon the country and cannot live without despoiling it. If the tariff did in any way benefit anyone except the privileged class, if the mass of people could live under such prohibition of exchange as well as they could when enjoying their inalienable rights of barter, and if our working men were saved from the nightmare of unemployment, this country might be tempted to view class privilege with leniency. But it does none of these things. To the masses it causes suffering, and to the workers it creates rather than prevents unemployment. In yesterday's Citizen is a news item that is worth consideration by anyone who is advocating protection or class privilege. The Bankers' Trust Company of New York received from their British Information Service in London, this information:

British Linens Easily lead in World Markets

Notwithstanding Duty of 55 Per cent. United States Imported Huge Quantities During 1924

British Supremacy is Clearly Shown

Competition From Countries With Cheap Labor Does Not Affect Lead

New York, May 31.—Exports of linen goods from Great Britain in 1924 were valued at £13,332,000 as

against £11,735,000 in 1923. This increase in value was not due only to the rise in prices, but also to an actual expansion in the volume of exports, according to advices just received by Bankers' Trust Company of New York from its British Information Service.

The quantity of piece-goods exported increased from 89,666,000 square yards in 1923 to 110,793,000 in 1924. Such exports accounted for £8,444,000 of the 1924 total and for £7,043,000 of the 1923 total.

Like the cotton industry the linen industry is largely dependent on export trade for the disposal of its products, and consequently it is peculiarly susceptible to changes in world economic conditions, but whereas the cotton industry sends the greater part of its exports to the east, the bulk of the exports of linen go to western countries.

In support of the contention of Great Britain's leadership in the linen industry Bankers' Trust Company's informant draws attention to the fact that of the total imports into the United States of various kinds of linen goods in 1923, from 70 per cent, to 82 per cent, came from Great Britain. For example notwithstanding a duty of 55 per cent, the United States imported 82 per cent of the woven fabrics of flax from the United Kingdom 14 per cent from Belgium; of woven fabrics of flax on which the duty was 40 per cent, 81.7 per cent. came from Great Britain and 12 per cent from Belgium; of plain woven fabrics, 91.8 per cent, came from Great Britain and of flax table damask and manufactures of flax, 78.8 per cent from the United Kingdom, 13.5 per cent from Czechoslovakia, and 12.5 per cent from Germany.

Surely this is an object lesson to this country at this time. Tariff protection does not keep capital in the country. It also fails to keep out manufactured goods. The item which I have just read deals with linen goods only. In cottons the condition is still worse, and more astoundingly favourable to Great Britain, as the Manchester Guardian of May 29, 1924 stated that cotton exports to the United States in 1923 had, under the Fordney tariff quadrupled the exports of 1914.

I have here a cutting from the British Weekly, a paper that I have never yet seen called into account for any misstatements. I am using this in answer to a contention of the ex-Minister of Finance (Sir Henry Drayton) in the last speech which he made in this House. He had lately visited France and he was struck by the prosperity of that country due entirely, as he stated, to its high protective policy. The British Weekly editorial reads thus:

> The second important point which has received little public comment is the Chancellor's definite statement that no repayment of debt from France and Italy was allowed for in his budget because no such repayment was anticipated during the financial year. Everybody who reads the papers knows how simple it is under our law for an individual to avoid payment of a business debt. We have learnt, both during the war and since, that nations also can repudiate their debts and continue to exist—continue, indeed, for a time to spend vast sums of money. But debt repudiation, whether for the nation or for the individual, means bankruptcy, or at best an arrangement with creditors. Is there no chance, even now, that France and Italy will learn financial wisdom? It is ridiculous, of course, to talk about making them pay. You cannot make a nation pay without such a demonstration of force as it is inconceivable that this war-sickened country of ours would allow itself to use. But just as a business man who does not pay his debts cannot expect to receive further credits or further loans, so France and Italy, dependent for their very existence upon credit, are receiving and will receive no more from outside. Soon after peace was declared France raised large sums in this country. Now it is our late enemies, not our late Allies, who are receiving credits. Why? Because Germany is making some show of facing her creditors. The sums may be inadequate—they are inadequate; but it is very foolish of people to shut their eyes to the fact that Germany is paying large sums. We, too, are paying large sums. Our payments to the United States are a very sore subject, and the terms of that payment are certainly still open to debate. But compare the purchasing powers abroad of the pound sterling with that of the franc or the lira! Judged by the standard of mere expediency, it pays to pay.

Here is Britain paying her debts, making her payments, under this free trade policy which our friends condemn so much. France with her high protective policy has run the gauntlet. She is now at her wits' end to know what to do and her franc is falling. It has not the purchasing power it might have, and there is also a hint in this editorial of what I have already spoken, of the immoral side of class privilege having its effect on the nation that adopts it.

11 p.m.

In conclusion, I want to say that protection is an artificial basis for trade and it cannot stand. In this country it has miserably failed. Those for whom it was first inaugurated have repudiated every promise they have made. They have taken no responsibility either for the development of our natural resources or for the employment of our workers, and this was practically a promise that amounted to a contract when privilege was first inaugurated. Protection is a fallacy; it is immoral in itself, and it has failed in all that it was ever supposed to do.

The House divided on the amendment (Mr. Meighen) which was negatived on the following division:

YEAS

Messrs:

Anderson,	Maclean (York),
Baxter,	McKillop,
Black (Halifax),	McQuarrie,
Black (Yukon),	Manion,
Bowen,	Maybee,
Boys,	Meighen,
Charters,	Preston,
Church,	Ross (Kingston),
Clark,	Senn,
Dickie,	Simpson,
Drayton (Sir Henry),	Spence,
Garland (Carleton),	Stansell,
Grimmer,	Stevens,
Harris,	Stewart (Hamilton),
Hocken,	Stirling,
Hubbs,	Sutherland,
Ladner,	Tolmie,
LeSueur,	Wilson.—37.
MacLaren,	

NAYS

Messrs:

Archambault,	Lapierre,
Baldwin,	Lapointe,
Bancroft,	Lavigueur,
Beaubien,	Leader,
Béland,	Lewis,
Benoit,	Lovett,
Binette,	Lovie,
Bird,	Low,
Black (Huron),	Lucas,
Boivin,	Mackinnon,
Bouchard,	MacLean (Prince, P.E.I.),
Boucher,	Macphail (Miss),
Brethen,	McBride,
Brown,	McConica,
Cahill,	McDonald (Timiskaming),
Caldwell,	McGiverin,
Campbell,	McIsaac,
Cannon,	McKay,
Cardin,	McMaster,
Carmichael,	McMurray,
Carroll,	McTaggart,
Carruthers,	Marcil (Bonaventure),
Casgrain,	Marcile (Bagot),
Chevrier,	Marler,
Chew,	Martell,
Coote,	Mercier,
Crerar,	Michaud,
Davies,	Milne,
Déchène,	Motherwell,
Delisle,	Munro,
Denis (St. Denis),	Murdock,
Desaulniers,	Murphy,
Descoteaux,	Neill,
Deslauriers,	Ouimet,
Desrochers,	Papineau,
Elliott (Dundas),	Parent,
Elliott (Waterloo),	Pelletier,
Ethier,	Pouliot,
Evans,	Prevost.
Fafard,	Pritchard.
Fansher,	Putnam,
Findlay,	Rankin,
Finn,	Raymond,
Fiset (Sir Eugene)	Reed,
Fontaine,	Rhéaume,
Forke,	Rinfret,
Forrester,	Robb,
Fortier,	Roberge,
Fournier,	Robichaud,
Gardiner,	Robinson,
Gendron,	St. Père.
Gervais,	Sales,
Gordon,	Savard,
Gould,	Séguin,
Graham,	Sexsmith,
Halbert,	Shaw,
Hammell,	Sinclair (Oxford),
Hodgins,	Sinclair (Queens, P.E.I.)
Hoey,	Snowball,
Hopkins,	Speakman,
Hushion,	Spencer,
Jelliff,	Steedsman,
Johnston,	Stewart (Argenteuil),
Kay,	Stewart (Humboldt),
Kelly,	Stork,
Kellner,	Thurston,
Kennedy (Edmonton),	Tobin,
Kennedy (Glengarry & Stormont),	Vien,
	Wallace,
Kennedy (Port Arthur & Kenora),	Walsh,
	Ward,
King (Huron),	Warner,
King (Kootenay),	Woods,
King, Mackenzie (York),	Woodsworth.—147.
Kyte,	

PAIRS

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

Messrs:

Macdonald (Pictou),	Hanson,
Chisholm,	Doucet,
Copp,	Jones,
Logan,	Ryckman,
Malcolm,	Duncan,
Power,	Mewburn,
Robitaille,	Guthrie,
Morin,	Bristol,
Healy,	Stewart (Leeds),
Duff,	Chaplin,
Laflamme,	Sheard,
Hudson,	McKillop,
Bourassa,	Arthurs.

Mr. DOUCET: I was paired with the hon. member for Inverness (Mr. Chisholm). Had I voted, I would have voted for the amendment.

Mr. JONES: I was paired with the hon. Secretary of State (Mr. Copp). Had I voted, I would have voted for the amendment.

Mr. HANSON: I was paired with the hon. Minister of National Defence (Mr. Macdonald). Had I not been paired I would have voted in the affirmative.

Motion agreed to on the same division reversed, and the House went into committee of Supply, Mr. Gordon in the chair.

SUPPLY

EXTERNAL AFFAIRS

Civil Government—External Affairs—salaries, $84,440; contingencies, $27,500.

Sir HENRY DRAYTON: Perhaps we can get an explanation of the increase?

Mr. MACKENZIE KING: The increase is more apparent than real. Two temporary clerks have been made permanent. There is only one additional clerk.

Mr. MEIGHEN: What the Prime Minister has said may be the cause of the increase, I would consider it is just as real as it is apparent. What is unreal about it?

Mr. MACKENZIE KING: I mean that the clerks were being paid the same amount when they were holding their positions temporarily as they are receiving now that they have been made permanent. As my right hon. friend knows, there are a number of clerks who have been in the service many years, and from time to time they make requests to the Civil Service Commission to have their appointments made permanent. In the case of this department two of the clerks were made permanent who for a number of years had been temporaries.

Sir HENRY DRAYTON: My right hon. friend the Prime Minister used to express

some very severe strictures on the cost of government in 1921-22. I see in this department there is an increase in salaries of $19,815, or over 30 per cent.

Mr. MACKENZIE KING: I think my hon. friend is out $10,000 in his calculation. There is an increase altogether in civil government salaries of $4,475.

Sir HENRY DRAYTON: Perhaps the Prime Minister got hold of the wrong figures. I referred to the year 1921-22, at a time when my right hon. friend complained very, very much about the cost of government.

Mr. MACKENZIE KING: I do not think I complained about the cost of this particular department.

Sir HENRY DRAYTON: His complaint was so loud, so general, so long and so continuous that I do not know that I could except any department. But I point out to him that in 1921-22 the number of employees in the department which he now looks after, and which has to do with external affairs, numbered thirty-five. There is an increase of nine. The salaries were $64,625. There is an increase of $19,815, or over 30 per cent.

Mr. MACKENZIE KING: Is my hon. friend giving the number of temporary employees as well as permanent?

Sir HENRY DRAYTON: I am giving my right hon. friend exactly the same information in the estimates for 1921-22 as is shown in these estimates. I am comparing like with like. If he wants to go into temporaries, perhaps he will tell me later on how many temporaries he has. I am just pointing out this one thing, that instead of the administration reducing the cost in this department, we have an increase in salaries of over 30 per cent since they took it over.

Mr. MEIGHEN: The Prime Minister has to admit an increase in his own department of 30 per cent as respects permanent employees. Will he now give us the figures for the temporary employees in 1921-22 as against the temporary employees now?

Mr. MACKENZIE KING: I do not admit an increase of 30 per cent in the temporary employees.

Mr. MEIGHEN: What do the figures show?

Mr. MACKENZIE KING: One takes the total number of employees in the department. Included in those that are listed here as permanent are those that were at that time temporaries, but who had been a long time in the department. I think my right hon. friend will find that the number is considerably decreased.

Mr. MEIGHEN: I am ready to take the facts as they are. I said that in permanent employees there had been an increase, and I quoted the figure of 30 per cent used by the hon. member for West York (Sir Henry Drayton). What are the facts? The estimates for 1921-22 show the salaries of permanent employees in the Department of External Affairs to have been $64,625; contingencies, $46,000. The contingencies now are $27,500. Of course the right hon. gentleman has the right to consider contingencies, but I was speaking of salaries. My statement was that there was a 30 per cent increase in the salaries of parmanent officials, and the figures show that the increase was from $64,000 odd to $84,440, so my figure of 30 per cent was certainly below the mark What is the number of temporary employees to-day and what was the number of temporary employees then in this department, and what is the cost in each year?

Mr. MACKENZIE KING: I do not know whether I can give the figures for each year—

Mr. MEIGHEN: Just the two years.

Mr. MACKENZIE KING: At an earlier period I know that a number of clerks were being paid out of contingencies. At present five clerks are being paid out of contingencies.

Mr. MEIGHEN: Permanent clerks would not be paid out of contingencies.

Mr. MACKENZIE KING: No, temporary.

Mr. MEIGHEN: If we can get the number of temporary clerks now and the number then, it will clear the matter up.

Mr. MACKENZIE KING: I have not the information here with respect to four years ago.

Mr. MEIGHEN: I would like very much to get the figures, in order to be able to compare the number of temporary employees now and the number then, as well as the permanent employees.

Mr. MACKENZIE KING: I shall be very glad to lay on the table a return giving the number of clerks, both permanent and temporary, at the next sitting.

Mr. MEIGHEN: And the total salary cost for that year.

Mr. WOODSWORTH: Would the minister give us some idea as to the nature of the work carried on by this department?

Mr. MACKENZIE KING: The department has to do with all communications between the government of Canada and foreign governments. The office of High Commissioner for Canada in London, the office of Commissioner General at Paris, the representation at Washington—all these activities come under the Department of External Affairs. The work in connection with the League of Nations, and such correspondence as is carried on with that body and with its representative in Geneva, is done through this department. All the correspondence between the British government and the government of Canada goes through this department. It has also largely to do with communications with the Governor General's office. It is a little difficult to mention the variety of subjects dealt with, but hardly a day passes that some question is not a matter of correspondence between the government of Canada and some outside part of the world.

Mr. WOODSWORTH: As I understand it, we have now a committee on international affairs. As to the protocol, for instance, and other such matters, members of the House have no opportunity of discussing them or of coming in close contact with them. In the interest of the country at large might it not be as well to make vital the work of that committee and refer certain of these matters to it?

Mr. MACKENZIE KING: I think my hon. friend is perhaps correct with respect to some of the matters that have come up. If he or any other member had made the suggestion with respect to any particular matter the government would have been glad to consider the advisability of referring it to the committee. The suggestion he makes is the first of its kind I have heard this session .

Item agreed to.

Civil government—Governor General's Secretary's office—salaries, including Governor General's secretary, additional to salary authorized by R.S., C. 4, $3,600, $33,810; contingencies, $66,000.

Mr. WOODSWORTH: May we have the details?

Mr. MACKENZIE KING: There is no change. The same number of clerks are employed and the same amount is asked for contingencies and sundries as was asked last year. There is simply the addition of a few hundred dollars for statutory increases.

Mr. GARDINER: There is a vote of $63,000 for sundries. What would this be for?

Mr. MACKENZIE KING: I think the main part of the expense would be for cabling despatches between this country and the Old Country, stationery, and other charges of that character.

Item agreed to.

Miscellaneous—salaries and expenses of the Paris agency, $35,000.

Sir HENRY DRAYTON: I rise to point out one instance of petty politics that I hope will be remedied when I call attention to it. Since this government came into office leading Conservative papers have been struck from the file of papers kept in the Paris office.

Mr. MACKENZIE KING: I am astonished.

Sir HENRY DRAYTON: I thought my hon. friend would be surprised to hear it. I would ask him to look into it and see that the usual list is returned. Speaking from recollection, I think the only Toronto papers were the Globe and the Star. That might appeal to some of my right hon. friend's followers, but I think it would hardly appeal to him that an office supported by public money should be carried on in quite that way. I drew the commissioner's attention to it, and he said he had nothing to do with it at all. Of course, if we are to understand that this is the way in which the game is to be played, it is quite all right, but I thought I had only to mention it to my right hon. friend to have it corrected.

Mr. MACKENZIE KING: I am very much obliged to my hon. friend for bringing the matter to my attention, because this is the first intimation I have had of it. I cannot understand why the commissioner is not perfectly free to order what papers he likes, or at any rate he would probably ask the deputy head of the department, and I cannot conceive that the deputy minister, who has been in the office right along until the last few months, would have put any Conservative paper, or any other paper, off the list. I agree with my hon. friend that there ought to be strict impartiality in the matter.

Mr. COOTE: What are the duties of the Paris agency? Are they of a business or diplomatic nature?

Mr. MACKENZIE KING: I should say largely business, and quasi-diplomatic. There are matters that come up with the French government that are dealt with through the Paris office. There are also a great many matters of a business nature which are also dealt with through that office. Canadians visiting Paris on different matters find the office, I think, very helpful in enabling them

to get in touch with different persons connected either with the government or with business firms they wish to meet. The office, in fact, is open for any purpose which will be of real service to the country.

Mr. WOODSWORTH: In diplomatic affairs does Canada deal directly with France or through the Colonial Office?

Mr. MACKENZIE KING: It depends upon the importance of the matter. For the most part communications with France would be through the Foreign Office of Great Britain, via the Colonial Office at the present time.

Sir HENRY DRAYTON: I can set my hon. friend's anxiety completely at rest. So far as Paris is concerned, Canada is extremely well represented. The present commissioner, Mr. Roy, is most efficient, painstaking and courteous to everybody. So far as his status is concerned, I would tell my hon. friend from Winnipeg that his status really depends far more upon the man than upon the title, and Mr. Roy has won for himself quite a unique position in Paris. There is no governmental door of the French government that is closed to him, and whatever form the final deliberations go through, there is no difficulty whatever that Mr. Roy experiences in carrying on that business. In fact, I have been told by people in Paris that he really was a much more useful representative than many more highly ornamental and more highly paid representatives; in other words, that the work was done. Whether he be called a representative, ambassador, charge d'affaires or anything else, he does his work well.

There is just one more matter I would like to mention. The office is in an excellent building in Paris, but there is really not enough room. There are two more rooms required there in order to look after the work, because there is a lot of work done, both of a diplomatic and business nature.

Item agreed to.

Canadian representation in the United States, $60,000.

Sir HENRY DRAYTON: Do you not think we might very well rest at this point, Mr. Chairman?

Mr. MACKENZIE KING: Let us pass this item, and then rest.

Sir HENRY DRAYTON: I do not know that this is an item that we can pass. We are not using the money, as I understand. What did we spend last year?

[Mr. Mackenzie King.]

Mr. MACKENZIE KING: It is true we did not use all of it last year. $12,000 covered the total outlay, but the government does intend to have more extended representation at Washington in the near future.

Sir HENRY DRAYTON: I really think in this case the government ought to be saved from itself, and I would like to help them in saving a little money here. I suppose Mr. Mahoney is still engaged at Washington. He is a very excellent representative, and I do not know of any interest, business or anything else, that is suffering at the present moment because he is there instead of a ornate, more highly titled and far more expensive, and more or less useless representative of this country.

Mr. LAPOINTE: Well, well.

Sir HENRY DRAYTON: My hon. friend says, Well, well. I use the terms advisedly; I mean just what I say. I mean that at the present time, without throwing away money on frills or anything else, we are having our material business interests well looked after by that gentleman. I know he looked after them well when we were in office, and I assume he is still doing it or he would not be there. It is not very far from here to Washington, and my genial friend the Minister of Justice has taken several trips there. They like him down there, and he likes the trip, and it is very, very easy for him to go whenever somebody a little more formidable in appearance and armed with greater dignity and more titles is required. Whenever it is necessary, my hon. friend is always on the job. He can go down, and does go down, and I think he has done pretty well. I really think, Mr. Chairman, if the government press this vote, it is really a vote of want of confidence in the Minister of Justice, because he may well be looked upon as our ambassador, plenipotentiary and envoy extraordinary so far as Washington is concerned. I think we should leave him in that position at this time. Certainly I do not want to object to him or his activities. But, seriously, Mr. Chairman, I would think that the government might very, very well leave things as they are now, and reduce this vote to the amount we are using, namely $12,000. I would ask the government to let this item stand, because if they persist, I am afraid we will have to say something on it, fairly extended too.

Mr. MACKENZIE KING: I would say to my hon. friend that when the government came into office they found an appropriation

of I think $80,000 for representation at Washington which my hon. friends had voted, and the item was cut at that time. It is true that up to the present time the government has not carried out the course which was proposed by hon. gentlemen opposite of having a minister plenipotentiary at Washington, who was not only to represent Canada but to take the place of the British ambassador in his absence. We thought that went a little bit further than we would care to go, but we felt that the interests of Canada would be well served if we had a minister plenipotentiary at Washington. It has not been convenient up to the present time to make that appointment, but the government hopes to be able to make it very shortly. Certainly this amount will be required if that appointment is made. If we were to reduce it we would have to abandon the idea of appointing a minister. We do not wish to abandon that idea—in fact we want to implement the promise we have made that a representative will be appointed. I say frankly to my hon. friend that it has not been as easy to secure the person we would wish to have as representative as it might appear to be. Anyone going to Washington has to spend a good deal of money to reside there and the appropriation the government is asking from parliament it not of a kind to invite a person without means to undertake the duty and expect to have that equipment which is necessary if an office is opened and carried on as it should be in the capital of a great country like the United States. Unfortunately in our external relations up to the present, so far as Canada is concerned, we have rather had to rely upon men of private means to fill these positions. But it does not always follow that this is the course the country would wish to see pursued generally. I think we should pay a sufficient amount to a representative of Canada abroad to fill the position in a dignified and proper way, regardless of what his own personal fortunes may be; and I submit that this is the lowest amount with which the goverment could hope to undertake the opening of a residence for a minister at Washington.

Sir HENRY DRAYTON: That is the very reason why I am opposing the vote. I think it is one of the worst and most foolish steps we could undertake. It is not only throwing money away but it is a little worse than that. My right hon. friend is quite right: There is no doubt that under a former administration the idea was evolved, and my right hon. friend comes here and finds it. But it is a new and novel doctrine for him to say that it is right because that happens to be the case. My right hon. friend specialized for some time in saying what an awful conglomeration, from his standpoint, former administrations were; and he is certainly not doing himself justice, having regard to his previous attitude towards former administrations, when he puts that forward as a reason why this vote ought to stand. Of course my right hon. friend may say to me "You are responsible for it." Well, I was a member of the administration that brought that vote down. I forget whether I was in office or not at the time it came in; but I am perfectly free to tell my right hon. friend that the action was never implemented. As far as I was concerned it would never be implemented—never. I am to-day talking upon my individual responsibility. I am a member of no government at the present time; my hand is absolutely free. In the first instance what do we want to do this for? Is it with a view of just showing that we are getting so big, so strong, and so wealthy that we have got to do it? Is it because in one particular, if lacking in many others, we are independent of the Old Land, that we are bound to show that we are paddling our own canoe? Is it because we have more money than we know what to do with? Is it because there is any real harm at present owing to the absence of an appointee? Hon. gentlemen opposite know honestly that there is no room for attempting to support action at the present time on that ground. Unless, indeed, they say that what has grown up to be a modus vivendi followed by the Minister of Justice is wrong. Then again, have we too much money? I should just like the government to consider this question seriously and consider it over night. I happened to be on the Continent at the time the public statement was made that the Hon. Senator Belcourt was going to be appointed Ambassador to the United States. I could tell my right hon. friend one thing—of course they may be all wrong in connection with it, as the critics may be all wrong—but I know one thing, and that is that there was a most obvious pleasure—especially on the part of those who were in any way interested in the dismemberment of the British Empire—in connection with that statement. They may be all wrong about it, but they honestly had that opinion, and they honestly hold that opinion to-day, and they may be right. But again have we more money than we know what to do with? Just so soon as that statement appeared in the French press, just so soon were there statements appearing in the press that now that Canada was appointing an Ambassador to Washington she would follow that ap-

pointment immediately by appointing an Ambassador to Paris. And is not that logical? What particular reason would the government have—

Mr. MACKENZIE KING: Was that the view of Sir Robert Borden when he introduced the resolution?

Sir HENRY DRAYTON: I am perfectly free to state—I have already stated—that I never adopted that view, and that the cabinet never implemented that resolution.

Mr. MACKENZIE KING: The cabinet asked the House for the appropriation.

Sir HENRY DRAYTON: That may be so.

Mr. MACKENZIE KING: And my hon. friend voted for it.

Sir HENRY DRAYTON: That may be so; it may all be so. But my right hon. friend knows there is such a thing as cabinet responsibility when you are a member of a government and he knows it stops when you are out of it. My right hon. friend knows also that he has had differences in his cabinet upon matters which have been put before this House and which had the united support—properly united support—from his cabinet but which to-day do not carry the judgment of certain members of that cabinet. It is the only way we can carry on. I am not approaching this matter in any contentious spirit at all, but simply just trying to get an honest expression of why we are doing this thing, or the necessity on doing it to-day. Now is it an unreasonable thing for France to expect that if we appoint a Canadian Ambassador to Washington we should not also appoint a Canadian Ambassador at Paris, and if we do it in that case—

Mr. MACKENZIE KING: Let me correct my hon. friend as to the use of the word "ambassador." The government of which he was a member may have used that expression; I do not think the present administration has ever used it. There is a great deal of difference between "minister" and "ambassador," and the term "ambassador" has never been used by this government that I am aware of.

Sir HENRY DRAYTON: I do not know what term my hon. friends have been using at all—I confess that at once—but that is the term that was used in the French press. "Minister" is the same thing. My hon. friend says not.

Mr. MACKENZIE KING: It is not the same thing—entirely different. Why do they have ministers, and why do they have ambassadors?

[Sir Henry Drayton.]

Sir HENRY DRAYTON: My right hon. friend is getting a little peevish.

Mr. MACKENZIE KING: Not at all. The House of Commons is entitled to be dealt with in a rational way.

Sir HENRY DRAYTON: I can get peevish just as quickly as my right hon. friend, and I might say some things with perhaps a little more reason.

Mr. MACKENZIE KING: Say them.

Sir HENRY DRAYTON: I do not know why we have this sudden attitude of bad temper on the part of the Prime Minister, and I do not know why I should lower myself at the moment by indulging with him in that sort of thing, and I do not intend to do it. As I was pointing out, in so far as the question is as to the interest of France on the one side, and the interest of the United States on the other, and the natural wish of France to have just as much recognition from Canada as Canada would get from the United States, it really makes no difference whether we call him ambassador or minister. If we send a minister to the States it will be expected that we sent a minister to France, and if we start in on that proposition, where are we going to stop? I suppose the reason of having a minister there is a diplomatic one. I understand that is how the government are supporting this question: that is that we are to have diplomatic representation in Paris, and I can use the word "minister" with pleasure instead of the word "ambassador". As I say, it makes no difference so far as this consideration I am advancing is concerned. Is the government intending to appoint a minister to Paris, and if not why not? On the matter of principle what is the distinction?

Mr. MACKENZIE KING: May I answer?

Sir HENRY DRAYTON: Yes.

Mr. MACKENZIE KING: The government at the present time have a commissioner in Paris, France, whom my hon. friend has just extolled as being of great service to Canada. We have no corresponding official at Washington. The business we have at Washington is ten times the business transacted with France, and the variety and scope of it is very much greater. Lord Bryce stated that nine-tenths of the work performed at Washington by the British ambassador related to Canada. Sir Esme Howard, British ambassador at Washington, stated in the hearing of my hon. friend himself that he would welcome a minister from Canada and

that he believed a minister from Canada working in Washington with him would be of great benefit to us in the British Empire. When it comes to the matters to be dealt with, I have only to refer members of the House to the different matters we have discussed in the House and the questions put almost every week by hon. gentlemen opposite, relating for instance to the St. Lawrence waterways, the discussion with reference to the Chicago drainage canal, the lake of the Woods and water-powers down in the province of New Brunswick, and respecting smuggling along the Canadian frontier. These matters are increasing day by day, month after month and year after year, and the government has been feeling increasingly the need of having a minister at Washington with whom communication may be had frequently, and with the utmost freedom of exchange between the departments at Washington and the government here. In that connection I have said nothing about the important matters of trade. Hon. members opposite may feel that they do not want to trade with the United States or have anything to with them, but we take the view that it is impossible to live upon this continent and not have relations with our neighbours to the south, if we expect them to buy from us and if we are to sell to them. We think it is a necessity, and we think probably we have delayed a little long in having the kind of representation we should have at Washington.

Sir HENRY DRAYTON: I am going to try and keep away from any talk and will endeavour to look at this matter as a matter of plain, simple business, and I am going to overlook what my hon. friend says about trading with the United States; it does not make any difference to me, one way or the other what he says upon that score. I am trying to see if I can get something like honest dispassionate consideration of this matter with my right hon. friend the Prime Minister, and I am not having much luck. He says in connection with France that we have the commissioner, Mr. Roy. That is perfectly true. I would not for one minute object to my hon. friend selecting Mr. Mahoney or whoever is down there, or if he does not think he is the right man, to put a man in there, with the same powers as Mr. Roy. It is working out very well. I again say his work in Paris is excellent. My hon. friend will find no better work can be done, although the expense will be greater if he has a minister. But I do not think my hon. friend is really touching the larger side of the question. Does he really honestly think that if Canada goes into the separate business of diplomacy that Canada can stop with the United States? That is the question I put to him.

Mr. MACKENZIE KING: What does my hon. friend mean by the separate business of diplomacy?

Sir HENRY DRAYTON: What I mean by separate business of diplomacy is quite plain. As matters stand at present the British Empire is, in diplomatic matters a united front. It is all done through the British diplomatic office. If we appoint a minister to do our work entirely for us, we are doing direct diplomatic work and we are entering the field of direct diplomacy.

Mr. MACKENZIE KING: My hon friend's view is that Canada should not have any representatives abroad to attend to any of this country's business, and that everything should be done through some official of the Colonial Office.

Sir HENRY DRAYTON: I have not said that for one minute. I do not mean that. I am despairing of trying to get my hon. friend round to an honest basis. I have not said that and he knows it. I said we could have our representatives without any trouble. We have Mr. Roy doing excellent work without any trouble, and my hon. friend turns round and says that I say we cannot have anybody else. It is so extremely illogical that it would be a grand thing if we could turn that page over and start again.

Mr. MACKENZIE KING: Does my hon. friend take exception to treaties negotiated between members of the government here and the representatives of other countries?

Sir HENRY DRAYTON: I asked a question and my hon. friend goes back to another question.

Mr. MACKENZIE KING: I cannot fathom it.

Sir HENRY DRAYTON: My hon. friend is having difficulties about it. Perhaps some other member of the government can fathom it. If my right hon. friend desires to give it up, all right, I do not desire to trouble him. Now I am going to ask some other member of the government if we can very well appoint a minister to Washington and not appoint ministers to other countries. It is a plain, simple question. If we started out doing it could we continue to do it for a long time?

Mr. MACKENZIE KING: I suppose some day we will have a minister in every capital of the world. I shall be very much amazed if Canada does not some day exceed in both extent and numbers of population any other portion of the British Empire.

Sir HENRY DRAYTON: My right hon. friend's idea is that this is a starting programme, winding up with a minister in every capital of the world some day. I would suggest that before that perhaps it would be just as well to wait until you are a little better off. My hon. friend may think that any plea of economy is nonsense.

Mr. MACKENZIE KING: My hon. friend's view is that we should have some other country pay our bill.

Sir HENRY DRAYTON: I have not heard before any very great activity or desire on the part of my hon. friend to pay bills of the Mother Country.

Mr. MACKENZIE KING: I take exception to what my hon. friend is saying. We have been raising taxation to pay bills with respect to the war, every dollar of which was money borrowed by the late government, and not a cent of which was paid by taxation during the war.

Sir HENRY DRAYTON: I have not heard of any great anxiety on the part of my right hon. friend to relieve the Mother Country in connection with any fiscal obligation. He counters by saying that we are now paying for the cost of the war. We are paying. Perhaps, if my right hon. friend had been here, there would have been no war. Perhaps he would have conducted it from some other place. I do not know, but the war certainly took place.

The CHAIRMAN: The hon. gentleman is wandering from the subject matter of this debate.

Sir HENRY DRAYTON: I do not object to being called to order, but I object to being called to order when I follow the Prime Minister in connection with a statement which he made. I did not invite it. I will drop the question of the war and save you, Mr. Chairman, the trouble of ruling on a matter which was brought up by the Prime Minister. We have in connection with our present association with the Mother Country two distinct ties. We have, on the one hand, the appeal to the Privy Council and, on the other, a common diplomatic representation. I know some hon. members think we should get rid of the appeal to the Privy Council and other hon. members think we should get rid of our common diplomatic representation. We are now considering the question of commencing to get rid of our common diplomatic representation. We are also doing that at a time when, unfortunately, we have whispers and more than whispers as to what the final outcome of Canada is to be, whether she is to remain a part of the British Empire or to be annexed to the United States.

Some hon. MEMBERS: Oh, oh.

Sir HENRY DRAYTON: Some hon. gentlemen laugh. I am telling them that they will hear this being discussed. It is unfortunate; it is improper in the last degree, but it is being discussed. We have, besides that, ties of history and blood. But the real ties that we can get rid of are the ties of united diplomatic front and, as I say, our appeal to the Privy Council. I deprecate this idea of heat about this question. There ought not to be any heat about it, and I have done my best to keep away from any heat. I put this question to my right hon. friend: Is this a good time to raise this issue?

Mr. MACKENZIE KING: My loyalty is not so thin that I could not trust the representation of Canada in any part of the world.

Sir HENRY DRAYTON: My hon. friend may think that is a first rate answer, but I do not, and I do not know whether he means that reference to loyalty as a jibe. I do not know. I have not said a word about his loyalty.

Mr. MACKENZIE KING: I am not talking about my hon. friend's loyalty. I am talking about his remarks as to the tendency toward separation of these questions of representation.

Sir HENRY DRAYTON: I have not said a word about my right hon. friend's loyalty, but as we stand at present, we have at least one front. I am not saying that we cannot and should not have any amount of rows, but they should be family rows. We shall have them in any amount. We are not bound by the representation of British diplomacy in any way. Parliament itself is the sole authority which binds.

Mr. MACKENZIE KING: Does my hon friend, in speaking about one front, think a mistake was made when Canada was represented at Versailles and at Washington by separate representation in the treaties that were made with those countries? That was diplomacy too.

Sir HENRY DRAYTON: That was a special matter and a special occasion, and it is not anything which takes Canada out of the empire as a whole in the slightest. It is not any separate formal organisation. It is not any cutting of old ties.

Mr. MACKENZIE KING: Does my hon. friend think it a mistake that Canada should be represented at the League of Nations?

Sir HENRY DRAYTON: Not the slightest mistake, but she is represented there in connection with the League of Nations. I want to give my right hon. friend the credit of sincerity. My right hon. friend may think this is all nonsense. I am not saying that he does not think it is all nonsense, but I very honestly think it is not nonsense, and that Canada, as part of the empire and working behind a common diplomatic front, has far more power and can use an infinitely greater power for good than she will ever have in any other way. I honestly think it is a great mistake to depart from that principle.

Some hon. MEMBERS: Carried.

Sir HENRY DRAYTON: I hear cries of "carried." I suppose, in fact, I know this will be carried. I have tried to make a quiet statement in connection with this matter and I am concerned about it. I think this is a grave error. Wrong motives will be ascribed to this action, and those motives, however wrongly ascribed they may be, will have an unfortunate effect. This is no time, with the way things are mixed up at present, to do anything which, in the heart of the enemy—and he is there—means a weakening of the ties that bind the British commonwealth together. I honestly believe that to-day it is the greatest force for peace in the world. Never mind what my right hon. friend may think, this step carried into action amounts to nothing except that we may get a little more immediate service spending a little money for it. I am not saying that he does not honestly think that, but he is mistaken in thinking it. In my sincere judgment, he is going to weaken the position of the commonwealth as a whole. I do not want to delay this matter at all, but I would like the government at least to think it over. If they desire to put it through, that is their business, not mine.

Mr. CRERAR: I confess that I have been utterly unable to follow the hon. member for West York (Sir Henry Drayton) in his argument, if it deserves to be placed in the status of an argument. This question was settled six years ago, when Sir Robert Borden, in 1919, with the full concurrence of the British government and after the matter had been taken up with the Washington government, arranged that Canada could be represented at Washington by a representative having practically the status of an ambassador. The favourable judgment of the country on that proceeding has, I think, been secured as far as there has been any expression of public opinion anywhere, except perhaps in some of thos ultra loyal districts where it is imagined that our loyalty is in danger if we even look to the United States or think of trading there. I say it has been recognized throughout Canada, and the only criticism I have to offer is a word of censure on the government that an ambassador has not long before this been appointed to Washington. I cannot conceive that our doing so is going to wreck the British Empire. But if such action on our part did wreck the British Empire, then there is mighty little holding it together to-day.

Why do we need a man of the most practical turn of mind at Washington? Not one who is necessarily trained in all the ins and outs of diplomacy, but a man with a knowledge of Canada and of the United States? Because Canada in all her relations with the outside world has far more to do with the United States than with all the other countries combined. I do not wish to call in question what the British ambassadors at Washington in the past may have done in representing Canada's interests. I think probably criticism, might be offered of some of them, but I submit that Canada has to-day reached the point in her development as a nation when she can claim the right and, as I have already said has secured the right to be represented at Washington. In the innumerable matters that come up of Canada's participation in world affairs, I repeat, we have more to do with the United States than with all other countries combined. And it is natural that such should be the case.

Now, I do not agree with the views held by my hon. friend from West York (Sir Henry Drayton) that it is a bad thing for Canada to have good relations with the United States. I can conceive of nothing that is better for Canada than to have the most friendly relations with the United States.

Sir HENRY DRAYTON: Why does my hon. friend say that? I never said anything like that.

Mr. CRERAR: It is the only inference that can be drawn from my hon. friend's remarks.

Sir HENRY DRAYTON: It is nonsense; my hon. friend knows it too.

Mr. CRERAR: We need to be on the most friendly relations with the United States. More than half of our trade is done with that country. Furthermore, it is recognized not only by Canadian statesmen but by all the greatest statesmen in the Empire that Canada can play an important part in the maintenance of the best relations between the United States and the other parts of the commonwealth. If we can contribute to that, let us send our man to Washington. As I have said, the only criticism I have to offer is that the government should have done this years ago and not waited until now.

Sir HENRY DRAYTON: Mr. Chairman, my hon. friend's argument is based upon—I cannot exactly give in parliamentary language what it is based upon. He said I took the position that we were not to be friendly with the United States.

Mr. CRERAR: No, no, I did not say that.

Sir HENRY DRAYTON: My hon. friend now says he did not say so. Well, Hansard is there. That is the position he took. I never said any such thing. He knows it. I wonder why we cannot sometimes discuss things in this House on something like a decent basis.

Some hon. MEMBERS: Order.

Mr. CRERAR: Mr. Chairman, I am not going to submit to that sort of talk from my hon. friend from West York, or from any other member. I leave it to the judgment of the House to say whether I am decent in debate or not.

The CHAIRMAN: The hon. member for West York can not use that expression.

Sir HENRY DRAYTON: Then I cannot refer to indecencies, so I withdraw the expression. I did not utter one word to justify the remark that I said anything unfriendly to the United States. I make that assertion positively and within my rights. I did not say that we should not have business relations with the United States. I said that we should do there just as we are doing in France, where we are doing it very well. Of course, for the purposes of twisting this case these statements can be made. But I still contend I did not say that we were not to do business with the United States. What I did submit was that we could be well looked after if we had a man like Mr. Roy there. Of course we do business with the United States, and we are going to continue it, too. We have done business with the United States without a representative—in some instances we have done business which has not paid us, in some instances we have done business which has paid us, and we will continue our business relations. There is no reason in the world why we should not have a proper business representative in the United States, but where we want him is where business is to be got, not in Washington; we need him in New York, or possibly Chicago—a good, sound Canadian selling agent. We need him in the United States, and we need him badly.

But that has nothing to do with the question of diplomatic representation one way or the other. My hon. friend from Marquette (Mr. Crerar) says he cannot understand my argument. Well, I am not going to try to make him understand it, but I am going to repeat it. There is no reason why we should not have a proper business representation in the United States. Is that clear? On the other hand, just simply because we ought to have proper business representation there, does not say for one minute that it is necessary for us to go into direct diplomatic representation at Washington. I wonder if that is plain? I may be all wrong in the result, but I want to be so clear that there is going to be no further mistake as to what I say. Well, what are we to gain by this change? What are we to gain by spending more money? What are we to honestly gain to-day by saying, "Here is another tie we are breaking." That is what we are doing. Hon. gentlemen may say that the ties are so strong that nothing can break them. God grant it be so. But there are people talking in Canada to-day that do not think so, and some of them are very strong supporters of this government. If our hearts really are in favour of our staying where we are to-day, in the best collection of self-governing peoples that this old world has as yet produced, why do we want this new toy? We can look after our business; there is no difficulty about that at all. But is it really a good thing that this country here or that country there shall have the opportunity of asking for ambassadorial representation at Washington—Australia here, Ireland there, New Zealand there—because do not think we are going to be the only nation with ambassadors and ministers plenipotentiary? Is it not really better that the family should stay together and have their rows—as they will have them—behind closed doors, and do the best they can in the common interest?

Mr. WOODSWORTH: It would seem as if we might very well have our representative

at Washington, call him what you will—ambassador or minister. I quite agree with the Prime Minister that whoever is sent there ought to be placed in a position to carry on the affairs of the country; his salary and expenses ought to be paid. But there is no real reason why we should go into this thing on the scale that is proposed. I cannot understand why we should seek to emulate the practices of the Old Land and have our minister or ambassador preserve a certain state that is not in harmony with the democratic ideals which are supposed to prevail on this continent. I cannot see why we need a huge sum like $60,000 to maintain the office there. There may be diplomatic negotiations to carry on as well as business affairs to transact, but it should be possible to do these in a business-like way without attaching to them social functions, and so on, which are not in accordance with the ideals of a great many of us and decidedly not in accordance with the principle of economy.

Mr. EVANS: Much as I would like to advocate economy at this time, I think this would be money well spent. Canada has suffered a good deal during the last fifteen years because of a lack of representation at Washington. We need a man of the right kind, a man of broad outlook who understands the needs of the two countries. I do not believe at all that we should have "no truck or trade with the Yankees."

Mr. MEIGHEN: Who does? Where did the hon. gentleman get that hallucination? I would like to disabuse his virgin mind of it, if I could. Nobody ever suggested that outside of bedlam.

Mr. EVANS: I believe our interests could be very substantially promoted if we had the right kind of man at Washington. I do not see why there need be any delicate feeling at all as regards the Motherland or any other part of the British Empire with respect to our having a representative in the capital of a country with which we have more to do than any other. You may call him what you please—ambassador, minister plenipotentiary, or simply representative. I would like to see one appointed this year, and I am sure very much good would result from such an appointment.

The CHAIRMAN: Shall the item carry?

Sir HENRY DRAYTON: On division.

Item agreed to, on division.

Progress reported.

On motion of Mr. Mackenzie King, the House adjourned at 12.35 a.m. (Wednesday).

Thursday, June 4, 1925.

The House met at three o'clock.

BANKING AND COMMERCE COMMITTEE

Mr. G. G. COOTE (Macleod) moved:

That the fifth report of the select standing committee on Banking and Commerce be concurred in.

Motion agreed to.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

CANADIAN NATIONAL RAILWAYS—EARNINGS AND EXPENDITURE

Mr. McCREA:

1. What is the total gross earnings of the Canadian National Railways, in all its connections and branches, giving the said earnings in each province separately?

2. What is the total gross operating expenditure in each one of the provinces, showing each province separately?

Hon. Mr. GRAHAM:

1 and 2. It is not possible to give the operating results of Canadian National Railways by provinces. The nearest approach is the results by regions, as follows:

	1924		
	Gross Revenues	Operating expenses	Net revenue from railway operation
Atlantic region	$ 20,721,399 54	$ 24,266,403 17	$ 3,545,005 24 (Def.)
Central Region	117,160,048 47	101,209,176 56	15,950,871 91
Western Region	68,114,750 01	68,987,033 97	872,283 96 (Def.)
Grand Trunk western lines	29,591,984 53	23,881,316 76	5,710,667 77
Canadian National System	235,588,182 55	218,343,931 07	17,244,251 48

NORTHWEST REBELLION—MOUNTED POLICE

Mr. BLACK (Yukon):

1. Did the government specially recompense those of the permanent forces of Canada who served in the Northwest rebellion, namely A and B batteries of Kingston Artillery and C School of Infantry, Toronto, and also men sworn in as special constables of the Northwest Mounted Police?

2. Is it the intention of the government to recompense the Northwest Mounted Police veterans who served in the Northwest rebellion on the same basis as others who so served?

Hon. Mr. MACDONALD (Pictou):

1. The issue of scrip for services in the Northwest rebellion of 1885 was authorized by chapter 73 of the statutes of Canada, 1885, which restricted such issue to "members of the enrolled militia force actively engaged and bearing arms in the suppression of the Indian and Halfbreed outbreak and serving west of Port Arthur since the 25th day of March."

Chapter 29 of the statutes of Canada, 1886, defined the expression "members of the enrolled militia force actively engaged," etc. Members of A and B batteries of Kingston Artillery and C School of Infantry Toronto were included within the scope of the above expression and received scrip. The personnel of the Northwest Mounted Police was not included within the scope of the above expression and no scrip was issued to them. Certain "members of the enrolled militia force actively engaged and bearing arms in the suppression of the Indian and Halfbreed outbreak, and serving west of Port Arthur, since the 25th day of March" who were sworn in as special constables of the Northwest Mounted Police during the rebellion received scrip as members of the militia but not as special constables of the Northwest Mounted Police.

2. When the subject of rewards for services during the rebellion of 1885 was under consideration of the government of the day, a distinction was made between the Mounted Police, whose ordinary duties of maintaining law and order were within the limits of the disturbed districts, and the militia who were called upon to leave their homes and occupations, at great personal inconvenience, resulting in many cases in serious embarrassment to themselves and families. This distinction was marked by excluding the police from participation in the issue of scrip.

In 1893 the Legislative Assembly of the Northwest Territories passed a resolution praying that the Dominion Government would grant scrip to the Mounted Police, and on several occasions members have asked questions in the House. The reply has always been adverse to reconsideration.

GOVERNMENT ELEVATORS

Hon. Mr. STEVENS:

1. What is the capacity of the Moose Jaw government elevator and what was the cost of the said elevator?

2. What is the capacity of the Port Arthur government elevator and what was the cost of the said elevator?

3. What is the capacity of the Saskatoon government elevator and what was the cost of the said elevator?

4. What is the capacity of the Edmonton government elevator and what was the cost of the said elevator?

5. What is the capacity of the Vancouver government elevator, No. 1, as originally constructed and what was the cost of the said elevator?

6. What will be the capacity of the Prince Rupert elevator, and what will be the cost of the said elevator?

Hon. Mr. LOW:

1. Moose Jaw Government Elevator, Constructed, 1913-14.

Capacities

Storage capacity, 3,500,000 bushels.
Cleaning capacity:—
Wheat, 300,000 bushels per day.
Flax, 40,000 bushels per day.
Mixed Grain, 10,000 bushels per day.
Screenings, 15,000 bushels per day.
Drying capacity, 6 per cent moisture, 20,000 bushels per day.
Unloading from cars, 150 cars per day.
Loading to cars, 200 cars per day.
Power generating plant: Diesel engines and Dynamos, 875 horse-power rated.

Costs

Site—(right-of-way)	$ 7,674 00
Excavation	24,000 00
Pile foundation	78,000 00
Elevator superstructure	943,112 16
Power plant	120,000 00
Drier and boiler house	34,000 00
Trackage	82,099 00
Capital charges to May 31, 1925, subsequent to construction	40,597 99
Total	$1,329,483 15

2. Port Arthur Government Elevator, constructed, 1912-13.

Capacities

Storage capacity, 3,250,000 bushels.
Cleaning capacity:—
Wheat, 360,000 bushels per day.
Flax, 60,000 bushels per day.
Mixed Grain, 30,000 bushels per day.
Screenings, 15,000 bushels per day.
Drying capacity, 6 per cent moisture, 40,000 bushels per day.
Unloading from cars, 250 cars per day.
Loading to lake boats, 1,000,000 bushels per day.
Substation, 1,600 horse-power rated.

Costs

Site	$ 90,000 00
Pile foundation	59,000 00
Dredging and grading	37,049 93
Elevator superstructure	1,054,978 74

Substation and office	52,000 00
Drier and boiler house	48,000 00
Trackage and trestles	62,000 00
Capital charges to May 31, 1925, subsequent to construction	37,436 42
Total	$1,440,465 09

3. Saskatoon Government Elevator, constructed, 1913-14.

Capacities

Storage capacity, 3,500,000 bushels.
Cleaning capacity:—
Wheat, 300,000 bushels per day.
Flax, 40,000 bushels per day.
Mixed grain, 10,000 bushels per day.
Screenings, 15,000 bushels per day.
Drying capacity, 6 per cent moisture, 20,000 bushels per day.
Unloading from cars, 150 cars per day.
Loading to cars, 200 cars per day.
Substation, 1,200 horse-power rated.

Costs

Site—(right-of-way)	$ 5,500 00
Excavation	28,000 00
Pile foundation	72,000 00
Elevator superstructure	925,904 80
Substation	36,000 00
Drier and boiler house	33,000 00
Trackage	40,779 34
Capital charges to May 31, 1925, subsequent to construction	4,734 45
Total	$1,145,918 59

4. Edmonton Government Elevator:

Constructed 1923-24

Capacities

Storage capacity, 2,500,000 bushels.
Cleaning capacity:—
Wheat, 360,000 bushels per day.
Flax, 40,000 bushels per day.
Mixed Grain, 20,000 bushels per day.
Screenings, 30,000 bushels per day.
Drying capacity, 6 per cent moisture, 48,000 bushels per day.
Unloading from cars, 240 cars per day.
Loading to cars, 250 cars per day.
Substation, 1,200 horse-power rated.

Costs

Site	$ 12,450 00
Excavation	20,364 12
Pile foundation	47,735 32
Elevator superstructure	1,246,240 01
Substation and offices	52,400 00
Drier and Boiler house	66,800 00
Trackage	68,810 63
Total	$1,514,800 08

5. Vancouver Government Elevator: Constructed 1915-16

Capital Cost to October 21, 1923, date of transfer to Vancouver Harbour Commissioners.

Capacities

Storage capacity, 1,250,000 bushels.
Cleaning capacity:—
Wheat, 210,000 bushels per day.
Flax, nil.
Mixed Grain, nil.
Screenings, nil.
Drying capacity, 6 per cent moisture, 10,000 bushels per day.
Unloading from cars, 150 cars per day.
Loading to boats, 400,000 bushels per day.
Substation, 1,200 horse-power rated.
Bagging plant, 60,000 bushels per day.

Costs

Clearing site	$ 5,000 00
Excavation and foundation	31,000 00
Elevator superstructure	508,394 03
Substation and office	32,000 00
Bagging plant	16,000 00
Drier and boiler house	36,000 00
Dock galleries to four loading berths and warehouse	208,000 00
Trackage	18,136 40
Total	$854,530 43

6. Prince Rupert Government Elevator: constructed, 1925

From contracts awarded and engineer's estimate of balance required.

Capacities

Storage capacity, 1,350,000 bushels.
Cleaning capacity:—
Wheat, 360,000 bushels per day.
Flax, nil.
Mixed Grain, 20,000 bushels per day.
Screenings, 30,000 bushels per day.
Drying capacity, 6 per cent moisture, 10,000 bushels per day.
Unloading from cars, 150 cars per day.
Loading to boats, 400,000 bushels per day.
Substation, 1,200 horse-power.
Bagging plant, 60,000 bushels per day.
Grain jetty 1,000 ft. length for two loading berths.
Bagged grain warehouse 200,000 bushels capacity.

Cost (Estimated)	
Site	Nil
Excavation and foundation	$ 84,000
Elevator superstructure	730,216
Grain jetty 1,000 feet length	168,000
Bagged grain warehouse	44,000
Conveyer galleries to jetty	82,000
Drier and boiler house	36,000
Substation and office	42,000
Trackage, trestle and fill	63,000
Total	$1,249,216

Note: Engineer's preliminary estimate of $1,329,000 has been reduced in view of price obtained for superstructure contract.

CANADIAN NATIONAL RAILWAYS—WORKMEN'S COMPENSATION

Hon. Mr. STEVENS:

1. Does the Canadian National Railways comply with the Workmen's Compensation Acts of each of the provinces of Canada, or, is there a federal statute providing that the compensation boards of each province shall administer a fund provided by the federal authorities for cases of injuries received by the Canadian National Railways employees or government employees? If so, what is the title of such statute?

2. Is such act interpreted differently in different provinces?

Hon. Mr. GRAHAM:

1. The Canadian National Railway Company and allied companies comply with the Workmen's Compensation Acts of the various provinces in Canada. There is no federal statute providing that the compensation board of each province shall administer any of the funds provided by federal authority, the reason being that the courts have decided that the Workmen's Compensation Acts, dealing as they do with civil rights, are within the jurisdiction of the various provinces. By a statute of the parliament of Canada (Chap. 15, 1918) employees in the service of His Majesty who are injured, are entitled to the same compensation as ordinary employees under the laws of the province in which the accident occurred. Subsection 4 of section 1 of that act deals with employees on the Canadian government railway.

2. All the provinces have different Workmen's Compensation laws. The Dominion statute last mentioned merely makes applicable to government employees residing in the province the provisions of the provincial act affected.

QUEBEC HARBOUR—ST. COLOMB de SILLERY LOTS

Mr. DOUCET:

1. What are the names of the proprietors of lots numbers 229 to 266, subdivisions of the official plans and registers of the parish of St. Colomb de Sillery?

2. Is the government aware that said lots or subdivisions are under option or promise of sale?

3. If so, what are the names of the holders of said options or promise of sale?

4. Are the above-mentioned lots or subdivisions in the neighbourhood of the projected works by the Quebec Harbour Commission and for which a bill comprising an expenditure of $5,000,000 has been brought down in the House?

5. Are these said lots or parts thereof to be purchased or expropriated by the Quebec Harbour Commission in order to carry out the projected works?

Hon. Mr. CARDIN:

1. No information.
2. No.
3. Answered by No. 2.
4. The parish of St. Colomb de Sillery is in the neighbourhood of the projected works.
5. No.

QUESTION PASSED AS ORDER FOR RETURN

CADET TRAINING

Mr. WOODSWORTH:

1. What amount was spent by the Department of Militia and Defence in connection with cadet training in the various provinces, province by province, in the years 1914, 1915, 1916, 1917, 1918, 1919, 1920, 1921, 1922, 1923, 1924?

2. How many cadet corps were there in each province in each of these years respectively, and how many in March, 1925?

3. How many school teachers or principals, respectively, were engaged as instructors in each province in each of the years named, to March, 1925, inclusive?

4. What grants were paid to these instructors, and what amount does each instructor receive for each cadet enrolled each year?

5. Does the department set apart an officer or officers in each province to further the work of cadet training? If not, what method does the department take to further this movement in the provinces?

6. What officers are now giving their time in each province to this work, either in part or wholly severally in each province?

7. Was the consent of the Department of Education in each province secured before this cadet system was introduced into the schools of the province? If not, what provinces have given their consent, and when?

8. How many schools are there in each province where cadet training was in vogue in the years 1918, 1919, 1920, 1921, 1922, 1923, 1924 and March, 1925?

9. What was the number of cadets in school corps in each province in each of these years?

BUSINESS OF THE HOUSE

WEDNESDAY SITTINGS

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) (for Right Hon. Mr. Mackenzie King) moved:

That on Wednesday, the 10th of June, instant, and subsequent Wednesdays to the end of the session, the sittings shall in every respect be under the same rules as provided for other days.

Motion agreed to.

ONTARIO POWER SHORTAGE

On the Orders of the Day:

Mr. T. L. CHURCH (North Toronto): I would like to ask the Minister of Railways and Canals if the attention of the government has been called to the statement, published to-day, of Sir Adam Beck with regard to the acute shortage of power Ontario is facing, and whether the government will grant the application filed by the government of Ontario and the Ontario Hydro-Electric Commission a long time ago for leave to develop power at the Morrisburg dam to take care of Ontario's power needs. Has such application been refused, and if so, what answer has the government made in respect to it?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): The Ontario government, I believe, have submitted to the Department of Public Works, under the statute, plans for the construction of a dam at Morrisburg. These plans have not up to the present been approved.

REVISION OF RULES OF THE HOUSE

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): I would like to ask the government when it is the intention to provide for the discussion of the amendment of the rules of the House as reported by the special committee which has been considering the matter. As this will not come up in the ordinary course of business of the House, perhaps some special provision will have to be made and some special time set for the discussion. May I ask the government when that time will be fixed?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I am not sure, Mr. Speaker, but would not an appropriate time for the discussion be on the motion for the adoption of the committee's report?

Mr. MEIGHEN: I understood the committee had reported. Certainly the proper time is on Motions, whenever the government is prepared to move the adoption of the report.

Mr. STEVENS: If I might make myself clear. My point was that the business that comes under Motions is usually of a routine nature and many members probably take very little interest in it. But this is a very, very important report, and some intimation should be given that to-morrow or on a certain day the report would come up for discussion.

Mr. GRAHAM: I think that is very reasonable, and I will call the attention of the Prime Minister to it. I think I can safely say on behalf of the government that intimation will be given to the House that on a certain day this report will be discussed.

Mr. STEVENS: That notice will be given.

Mr. A. W. NEILL (Comox-Alberni): In that connection: I hope the government will make arrangement for the discussion of this report in committee, because there are a large number of changes to propose, and it will be impossible to discuss these amendments adequately on the motion for concurrence in the report.

RAILWAY FREIGHT RATES

On the Orders of the Day:

Mr. D. M. KENNEDY (West Edmonton): I would like to ask the Minister of Railways when we may expect the proposals with respect to a revision of railway freight rates to be presented to the House?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I would not promise a revision of freight rates in the bill. I presume my hon. friend refers to a proposed amendment to the Railway Act, which is commonly known in discussion as the Crowsnest pass agreement.

Mr. KENNEDY (Edmonton): It surely covers more than that.

Mr. GRAHAM: One can never tell till he sees the bill.

Mr. KENNEDY (Edmonton): When will it be presented to the House?

Mr. GRAHAM: I had hoped to give notice of it to-day or to-morrow.

EXPORT OF POWER

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I would like to ask the government whether the order in council has yet been passed remitting in the cases of municipalities the tax on power exported under the term contract for 60,000 horse-power?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): That order in council has not yet been passed.

Sir HENRY DRAYTON: I hope it is drawn.

CANADIAN NATIONAL RAILWAYS

CHINA CLAY BRANCH

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals) moved the second reading of Bill No. 169, respecting the construction of a Canadian National Railways line from the end of the China Clay branch to St. Remi d'Amherst, in the province of Quebec.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Commencement of construction subject to certain conditions.

Sir HENRY DRAYTON: Does this matter stand just as we left it the other day?

Mr. GRAHAM: Just as we left it in committee.

Section agreed to.

Bill reported, read the third time and passed.

BUSINESS OF THE HOUSE

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I think perhaps it would be wise at this juncture to carry out the arrangement made some weeks ago with the hon. member for West Calgary (Mr. Shaw) to allow him to move the third reading of his bill on divorce.

If the House will agree, I would move that we now take up order No. 44, under Public Bills and Orders.

Motion agreed to.

DIVORCE

EQUALITY OF GROUNDS FOR RELIEF AS BETWEEN THE SEXES

Mr. JOS. T. SHAW (West Calgary) moved the third reading of Bill No. 4, respecting divorce.

Mr. THOMAS VIEN (Lotbiniere): Mr. Speaker, on the 23rd day of March I gave notice that on the motion for the third reading of this bill I would move—which I do now—the following amendment:

That the said order be discharged and the bill be referred back to the committee of the Whole House with instructions that they have power to amend the same by adding thereto the following section: "In no case where a divorce is granted by any act of parliament or by the decision of any court in Canada or elsewhere, shall either of the divorced parties domiciled in Canada have the right to marry again."

[Sir Henry Drayton.]

Mr. Speaker, the amendment that I have now proposed is unpalatable to many hon. members of this House for whose opinion I have the greatest respect. It is also distasteful to more than a few people outside of this chamber. I have been, and shall be, accused of bigotry and narrow mindedness. It has been and will be alleged that I am trying to impose upon others, religious beliefs that they do not share with me. I do not wish to be disagreeable or to appear intransigent, and yet on this occasion I hope that if I cannot dispel these false impressions in the course of my remarks, I shall at least establish my sincerity of purpose in trying, as I do, faithfully to discharge my duty as a member of this House and as a citizen of this country.

There is at present no divorce law on our statute books. This bill, if enacted, would be the first one; and I believe that it is my duty to resist the enactment by this parliament of a general law of divorce at the present time. Each bill of divorce that was presented to us has been a law of exception dealing with special cases. The purport of this bill is to facilitate divorce by increasing the number of cases in which divorce can be granted, and that is the reason why I feel in duty bound to resist it.

My amendment is not as sweeping as I would have liked to make it. Had I my own way I would stamp out divorce altogether from this country. But, the House having already expressed its opinion on the second reading of this bill, it would be futile at this moment to move the six months' hoist. My amendment, however, in changing divorce into a mere separation, will eliminate one of the great incentives that cause many people to ask for a divorce, and so will have the effect of greatly reducing the number of cases in which divorce is sought.

In my opinion, Mr. Speaker, divorce is unchristian in that it is opposed to the teachings of the New Testament. Divorce is also immoral because it is opposed to natural law. In considering for a moment the Scriptural arguments I shall quote only from the revised version, or the King James version, so as to avoid the reproach of trying to impose upon others my own religious beliefs. It was Blackstone, I think, who said that Christianity is part and parcel of the common law of England. If I succeed in proving that divorce is unchristian, let us remove it from our statute books, or else cease to contend that we are a christian parliament. If Christ legislated on this subject, those who profess to be his disciples—whether they be voters or legis-

lators—must be governed by his laws, and cannot do otherwise but accept his teaching. Let us turn to St. Mark's gospel, the first to be written. St. Mark's gospel, chapter 10, verses 2 to 12, gives the following:

> And there came upon Him Pharisees and asked Him, "Is it lawful for a man to put away his wife"? tempting Him.
>
> And He answered and said unto them; "What did Moses command you?" and they said; "Moses suffered us to write a bill of divorcement, and to put her away."
>
> But Jesus said unto them; "For your hardness of heart he wrote you this commandment. But from the beginning of the creation, male and female made he them. For this cause shall a man leave his father and mother, and shall cleave to his wife, and the twain shall become one flesh; so that they are no more twain but one flesh. What therefore God hath joined together, let not man put asunder." And in the house the disciples asked him again on this matter. And he said unto them; "Whosoever shall put away his wife and marry another committeth adultery against her, and if she herself shall put away her husband, and marry another, she committeth adultery."

By these words Christ legislated on this question. He tells us that re-marriage subsequent to divorce is adultery. Divorce—permitted to the Jews a thousand years before, owing to their imperfect civilization and the hardness of their hearts—is now abolished as unworthy of a christian people. The unity and indissolubility of marriage is reaffirmed, reinstated, and restored for all mankind. A principle is laid down which annuls in advance any legislation concerning divorce:

> What therefore God hath joined together let not man put asunder.

No exception is made; the paragraph is clear and conclusive. Now let me quote from St. Luke's gospel chapter 16:

> Everyone that putteth away his wife, and marrieth another committeth adultery; and he that marrieth one that is put away from a husband committeth adultery.

Are these words ambiguous? St. Matthew treats this question twice. In chapter 5 he gives new details showing conclusively that divorce is not part of christianity. The first reference to divorce is in the Sermon on the Mount. In that masterly outline of a moral code Christ shows us how his doctrine differed from that of the Old Testament on divorce. He declared:

> "It was said also: whosoever shall put away his wife, let him give her a writing of divorcement; but I say to you that everyone that putteth away his wife, saving for the cause of fornication, maketh her an adultress; and whosoever shall marry her when she is put away committeth adultery."

Divorce was permitted by Moses; it is not permitted by Christ. Unfaithfulness on the part of his wife justifies a man in claiming separation, but even after dismissal the marriage bond remains, and he who marries her that is put away commits adultery. If the marriage bond remains for the guilty party it must remain also for the party who is innocent.

Mr. MARTELL: May I ask my hon. friend a question?

Mr. VIEN: If my hon. friend will hold his soul in patience I will answer, I think, in the course of my remarks anything that occurs to his mind.

Mr. MARTELL: But—

Mr. VIEN: Will my hon. friend wait a minute please? I do not want to be uncourteous to my hon. friend, but I think the course of this debate will be shortened if he will allow me to continue. I shall be quite ready to answer any question that he may put to me at the conclusion of my speech.

If the marriage bond remains for the guilty party, it must remain also for the innocent party; it is the same marriage bond that binds them together. St. Matthew's second reference to divorce is at chapter 19 verses 3 to 12:

> And there came unto Him Pharisees tempting Him and saying, "Is it lawful for a man to put away his wife for every cause?" and He answered and said: "Have you not read that He which made them from the beginning made them male and female and said: 'For this cause shall a man leave his father and mother and shall cleave to his wife, and the twain shall become one flesh,' so that they are no more twain, but one flesh. What therefore God hath joined together let not man put asunder."

Mr. EVANS: Mr. Speaker, I rise to a point of order. The amendment is not relevant to the bill.

Mr. SPEAKER: I should like to hear from some other hon. members on this point of order, or perhaps the hon. member himself will state his reasons for raising the point. The bill is intituled "An Act respecting Divorce," and the amendment thereto, which also deals with the same subject, is in my opinion relevant.

Mr. EVANS: I submit, sir, that the purpose of the bill is to put women on the same plane as men regarding divorce. It is rather a question of women's rights than of whether either of the parties divorced should marry again. I cannot see that the amendment is relevant to the bill at all.

Mr. VIEN: Read the title of the bill.

Mr. SPEAKER: Do any other hon. members desire to speak on the point of order? In my humble judgment the amendment is germane.

Mr. VIEN: It was then that Our Lord added a sentence which the defenders of divorce claim is a deliberate weakening of the moral standard which he had enunciated:

And I say to you: whosoever shall put away his wife, except for fornication, and shall marry another committeth adultery; and he that marrieth her when she is put away, committeth adultery.

The meaning here, as in the Sermon on the Mount, where the same phrase is used, is that the dismissed woman, unless she be already an adulteress, is exposed to the occasion of this sin. Hence, she should not be sent away unless guilty of adultery, in which case separation of bed and board is allowed. The marriage bond, however, even in that case, remains, "For he that marrieth her when she is put away committeth adultery." And then:

The disciples say unto Him, "If the case of the man is so with his wife, it is not expedient to marry." And He answered, "All men cannot receive this saying."

Others have commented on these texts, Mr. Speaker. St. Paul, in the seventh chapter to the Romans, takes for granted the doctrine of the indissolubility of marriage, except by death, when he says:

The woman that hath a husband is bound by law to the husband while he liveth; but if the husband dies she is discharged from the law of the husband. So then, if while the husband lived she be joined to another man, she shall be called an adulteress; but if the husband die she is free from the law so that she is not an adulteress though she be joined to another man.

And again in his epistle to the Corinthians:

But unto the married I give charge, yea, not I but the Lord, that the wife depart not from her husband, and if she depart let her remain unmarried, or else be reconciled to her husband; and that the husband leave not his wife. A wife is bound for so long a time as her husband liveth; but if the husband be dead she is free to be married to whom she will.

Can any commentary strengthen, or any sophistry weaken, the force of these words, "That the wife depart not from her husband and that the husband leave not his wife?"

This Christian doctrine has also been commented upon by all the Christian churches in Canada. May I be permitted to quote what the General Synod of the Church of England said on this subject in October, 1921?—

On the Christian standard of marriage: Following in the footsteps of the Lambeth conference, the General Synod affirms as Our Lord's principle and standard of marriage a lifelong and indissoluble union, "for better, for worse," of one man with one woman, to the exclusion of all others on either side, and calls on all Christian people to maintain and bear witness to this standard.

On divorce and the remarriage of those divorced, the synod pronounced as follows:

]Mr. Vien.]

The General Synod of the Church of England in Canada, being convinced that the maintenance of the sacred nature of the marriage tie and the preservation of family life, are essential to the welfare of our country and its citizens, desires to call the attention of members of the Church of England to canon V of this synod:

"No clergyman within the jurisdiction of the Church of England in Canada shall solemnize a marriage between persons either of whom shall have been divorced from one who is living at the time," and heartily endorses the emphatic protest by the Council for Social Service at its annual meeting in October, 1920, against any extension of the present grounds for divorce in any contemplated legislation on this subject.

And then adding on the ideals of marriage and family life: an endorsement of the following memorial from the Diocese of Ottawa:

That in view of the increase of divorce in Canada and the levity with which the marriage tie is regarded by many, it is desirable that the church should again draw attention in the most solemn and emphatic manner:

"To the fact that marriage was instituted by God Almighty that man should have assistance and companionship, and that marriage is not to be undertaken hastily or carelessly, for caprice or for any improper motive, but only after prayer, each party believing and having reasonable cause to believe that they will be able and willing as loving and lifelong companions, to assist one another in the journey to the Heavenly kingdom;"

Mr. IRVINE: Mr. Speaker, I think the hon. gentleman is reading his speech.

Mr. VIEN: I am quoting the pronouncement of the General Synod of the Church of England made in October, 1921.

"To the fact that marriage, being according to God's institution to which our Saviour Christ recalls us, the union of one man with one woman to the exclusion of all others so long as they both shall live, the Church of England in Canada has by a canon of the General Synod provided that no clergyman of the church shall marry a divorced person while the other partner is living."

In the Roman Catholic church, though it be permitted because of fornication to obtain a separation, it is not allowed to contract a new marriage because the bond of legitimate wedlock is perpetual.

In the Presbyterian General Assembly of June 1920 the following pronouncement was made:

The assembly affirms its belief that the marriage tie is permanent, that the doctrine that marriage is indissoluble only (i.e., except) for the reason of infidelity is founded on and agreeable with both human nature and Holy Scripture, and that therefore any relaxation of our laws and customs in this particular will imperil the whole life of our nation. The General Assembly must, therefore, stand in opposition to any interference with the sanctity of marriage.

The Methodist and Presbyterian churches have also both affirmed the traditional Christian attitude and policy regarding the sanctity of marriage. They are utterly opposed

to the breaking of the marriage tie either by ecclesiastical or civil authority. They admit, it is true—and I want to make this clear—that divorce may be sought by the innocent party in the case of infidelity, but they state that they regard with the most serious concern the increase in the number of divorce cases in Canada. The Christian Guardian, a Methodist newspaper, on March 20, 1921, had the following statement:

What is the attitude of Jesus to divorce? There can be only one answer: "He that marrieth her who is divorced causeth her to commit adultery." Jesus makes no difference between the innocent or the guilty party. The question of divorce does not arise over separation. Separation may sometimes be the almost inevitable result of perverse conduct and alienation. But separation does not warrant a new marriage. The argument that it should carry with it such a right is based ultimately on a view of sex morality which one would hardly care to avow in a Christian church. Hardship is not necessarily a fact to be shirked. Some of the most heroic lives are spent in "hardship" and disciplined, loving devotion to one wife who is only partially alive. The admiration which is felt for such a man attests the true standard. Disciplined love which has determined to know no cessation is the Christian ideal, and gives the Christian standard of obligation. Were the "escape" from the obligation of marriage known to be absolutely cut off, many an incipient alienation would be healed by mutual discipline and patience.

To quote Jesus as allowing separation for the cause of adultery is in no way to prove that Jesus sanctioned divorce for that reason. But there are many devout scholars who, when they compare the statement of Matthew with the parallel statement reported by the other evangelists, conclude that the toleration of even one exception in the report of Matthew is not as close to the actual thought of Jesus as the other reports. In any case, even Matthew is decisive as to remarriage. Jesus has only one plain word for it.

This is the opinion of a Methodist newspaper. Let us now consider the opinion of the Presbyterian Witness—and the hon. member for Brome (Mr. McMaster) will be interested, I am sure. On March 17, 1921, it contained the following:

Whatever tends to corrupt the life of the family is a direct menace to the state and works for the disintegration of society.

This being so, we cannot but regard with the most serious concern the increase of divorce among us. It is stated in the press that there are over 150 applications for divorce bills to come before parliament during the present session.

That is, the session of 1921.

While this list is unusually long, it includes only the applicants from two provinces, the other provinces having divorce courts to deal with pleas for the dissolution of marriages. Indeed, it looks as if, in some sections of Canada at least, we were drifting rapidly in the direction of conditions on the other side of the American border. In a recent public address at Boston, a professor at one of the collegiate institutes of that city declared that if divorces multiply at the same rate in the future as in the past, and there is every indication that they are increasing faster by 1940 the United States will have one divorce for every five marriages of the whole population. Already this proportion of divorce has been exceeded in some of the states. But however far we may be from such a proportion in Canada, this is the direction in which we are tending; we are moving faster, perhaps, than many of our good people realize.

This was the opinion of a Presbyterian newspaper in 1921. If divorce is un-Christian, it is also immoral, because it is opposed to the natural law. The family is the cell of the social organism upon which the health of humanity depends. Marriage may be defined: " A stable union of persons of opposite sex, made under contract, with a view principally to the birth and rearing of children." Nature wills it that the race be continued. Without marriage, without the family, the child's life and welfare are not provided for, and the race would inevitably degenerate and decay. Divorce is the dissolution of marriage, and therefore opposed to the procreation and education of children. Forsooth, it violates the natural law. The tragedy of divorce is in the lives of the children of a shattered parenthood. The divorce statistics of the United States computed for the year 1916 show that in 108,702 divorces granted, in 56,651 cases there were no children, or 52.1 per cent of childless homes. In 11,042 other cases, children were not mentioned. It is possible that there were none or were none dependent, but the absolute fact remains that in 52 per cent of this huge total obtaining divorces, there were no children. For the period from 1897 to 1906, the preceding decade, 40.2 per cent of the cases reported no children. In 1916, the percentage had increased to 52.1 per cent. If this rate is indicative at all, race suicide is a problem no longer in the hypothetical sphere in the United States. It is also significant of the influence of the children in the home.

Dr. Michael Cronin summarizes as follows his views in support of the stability of marriage as promoting its primary end, that of the birth and rearing of children:

If a period of union between male and female is prescribed in the case of animals whenever their young require their common care, much more is such a union prescribed in the case of human parents, the capacities of the child being so much greater than those of the animal, whilst his power to attain the objects of those capacities without the help of its parents is so much less. Nature, therefore, requires a stable or abiding union of the sexes, and not a mere momentary or short-lived union, or a union lasting only as long as fancy and affection direct. Any such short-lived union would constitute a betrayal and a gross violation of nature's requirements in regard to the child. The co-operation of the father with the mother is, therefore, necessary during the child's first years. The duty of caring for a child devolves as much on the father as on the mother. The father is, equally with the mother, the cause of

the child's existence, and, therefore equally with the mother, he is charged by nature with the child's welfare. Since it was as one joint principle that they gave the child existence, as one joint principle they are bound to care for the child. Therefore their duty of caring for the child's welfare, is to be fulfilled, not in lives apart and independent, but in a single joint family life lasting as long as the right of the child to call to them for aid and guidance endures. Moreover, without the support of the father, both mother and child will, under ordinary conditions, find it difficult to surive. No accident of fortune or of condition can rid a man of his responsibiilty to his child and its mother.

Now, the second object of marriage is the happiness and the good of the parents; and to that also divorce is opposed. A wife has a right in commutative justice to the support and fidelity of her husband to the end. To him she has given her youth, her beauty, her fertility, her whole life, and in return she must have love and protection in her later years. The Rev. John O'Gorman has said:

4 p.m.

Divorce is unjust, unnatural, anti-national, and immoral. It is unjust. When parliament or court dissolves a contract, the rights even of third parties are usually sedulously guarded. But when the marriage contract is dissolved, the right of the first party for whom marriage and sex exist—the child—is utterly ignored. He is deprived of his parents. A premium is set on the passions of the parents (when as a reward of their adultery they may seek new mates) and a child is set out on the journey of life, fatherless or motherless. The effect of this stain on his education, character and career is incalculable. There may exist abnormal circumstances in individual cases where the child may seem to lose nothing by losing his parents; but nature frames her rules of life, and her canons of good and evil, on the usual and normal needs of humanity. It has been well said: "In comparison with the tragedy of the betrayal of the child at divorce, every other tragedy of the home shrinks into insignificance." Divorce is unjust.

It is unnatural. What human law can break the natural bond between father and child, or between mother and child? A man-made law may take the child away, if the parent be a criminal, but it cannot take the parenthood away or destroy the filiation. The relationship remains whether the law recognizes it or not. It is the same for the natural relationship by which husband and wife become one flesh. Unfaithfulness is a heinous sin against that natural union, but it cannot dissolve it. A criminal act cannot change what nature's laws proclaim to be a permanent relationship, resulting from the very nature of sex and from the object and end of the intercourse of the sexes in marriage. The crime may be punished but the relationship remains. Divorce is therefore unnatural.

It is anti-national. Not merely the child, but the race itself suffers from the dissolution of marriage at divorce, and it is primarily for the race, through the child, that marriage exists. The possibility of divorce leads to legalized race suicide. Those married couples who take into their consideration the possibility of their future divorce are less likely to fetter their liberty by the burden of children. Divorce is therefore anti-national.

It is immoral. The possibility of divorce not merely leads at times to the unnatural offences connected with race suicide, which is unfortunately as common as tuberculosis; it also encourages the commission of those other crimes on account of which divorce is given.

]Mr. Vien.]

Divorce laws, despite the clauses against connivance and collusion, are to some people an incentive to desertion or adultery; and in all cases, the remarriage which divorce permits is merely legalized lust. Divorce is therefore immoral.

These are not my opinions; I have quoted them abundantly in order to avoid the reproach that was cast upon me at the second reading of the bill, that I was trying to impose upon hon. members my own religious convictions. Now let us turn to a very remarkable organization in this country, the Social Service Council of Canada, which has done noteworthy work since its inception. Among the conclusions arrived at by that body in the year 1922, the following appears in its report:

After the most careful consideration of the facts of this study we would recommend to the committee for adoption the following recommendations:

Whereas (1) History and experience have shown that relaxation of marriage or divorce regulations, however sincerely initiated, have been unfailingly accompanied by social disorganization, laxity and a lower social standard towards married life and the institution of the family, and that no country adopting divorce law reform has been able to show a higher standard of social or family life as a result; and that

(2) any extension of the grounds of divorce has ultimately been utilized to the obtaining of divorce by collusion, thus endangering the family institution and implicitly tending towards a tacit acceptance of free love, and after careful study we believe that the vast majority of divorces are sought to make possible subsequent remarriage; and

Whereas, Whenever divorce is made cheaper it immediately offers itself as a ready solution to matrimonial difficulties where otherwise successful reconciliation would frequently obtain, and

Whereas, the recognition of divorce raises the question of recognizing the shattering of a state and contract created by two beings with the sanction and witness of the church and the state, and the recognition of divorce calls for a choice between the acceptance of two principles, the one, the principle of dissolving such a contract in the interests of human weaknesses and expediency as a remedy to the results of an unfortunate decision and contract, and empowering the parties to such broken contract to reenter a like but different contract, and the other, the principle of one life-long union of one man with one woman, for better or for worse, recognized by divine and human law as binding to and terminable by death, permissive of separation, but never of dissolution and remarriage.

Be it resolved—

1. That this Social Service Council of Canada expresses as its belief the acceptance of the divine ideal of the life-long and indissoluble union of one man with one woman, for better or for worse, terminable by death alone, as binding marriage in Canada to-day,

2. That in preservation of this ideal unqualified opposition alone can be shown towards any suggestion or action that would tend to substitute for general assumption of this ideal, in the law or custom of Canada or any province thereof, the opposed general assumption that divorce was recognized and possible of attainment by mere request for the application of the law, and

3. That while recognizing the existence of cases of hardship and cruelty from unfortunate marriage, this Council declares that in keeping with this ideal relief

should be sought in judicial separation or a divorce that does not carry the right of remarriage, and further declares as its belief that not only is this solution in keeping with this ideal, but that it will better serve the interests of society and the preservation of the family as an institution.

4. Wherefore this Council will oppose any movement to extend the grounds of divorce in Canada; and any movement to increase the facilities of divorce where the general law does not assume divorce, and will endeavor by educational effort to seek the furtherance of the Christian ideal of marriage throughout Canada.

Let us not, Mr. Speaker, be carried away by sympathy for those unfortunate couples unhappily married, who cannot number more than a few as compared with the mass of the people. Let those beware who consider taking one of the most serious steps that can be taken in life. From the days of the Roman and Greek civilizations easy divorce has in every case brought about a looseness in the marriage bond, a laxity in observance of the principles which it is supposed to stand for.

The British commission which was appointed to inquire into this subject in 1912, resisting the great forces of human passion and pressing with all their might to maintain the barriers set up to prevent the spread of divorce, made the following pronouncement:

Is England to leave a position of comparative strictness, to which citizens of other countries, appalled by the results of relaxation, are vainly endeavouring to return, creating thereby a cheapening effect on marriage, if the parties calculated that in contracting the union there would be some way out of it?

The ultimate question, therefore, is whether at a time when tendencies disintegrating family life are strong, when in America, to name only one country where divorce has been made easier and wider, there is a strong reaction in favour of greater strictness, England should relax its marriage laws, whether it ought not grimly to maintain them at least at their present standard.

Speaking of the tragedy and suffering of the unhappy marriage, the report says:

The fallacy we desire to deprecate is the tacit assumption that these ills are in any measure due to the lack of opportunity for divorce. The causes of marriage failure are, speaking generally, the lack of the sense of responsibility in entering the marriage state, the lack of self-control, self-sacrifice, and the sense of duty. The only remedy will be found in such influences as can be exerted to rouse the conscience and stimulate the moral sense of the nation. The alternative is between the narrow expediency of trying to make the lot of certain parties concerned easier and happier, and the wider expediency of strengthening the family life against influences which are threatening its strength and stability. The effort to promote the narrow expediency tends to defeat the effort to promote the wider one.

With these principles, Mr. Speaker, I fully agree, and if I have not convinced my opponents I hope at least that I have dissipated the idea that was expressed in the House on the second reading of this bill, that I was trying to impose upon others my own religious belief. Let us not open wider the doors through which can enter the divorce scourge and the score of social evils that it drags in its trail. Let us instead, by our legislation, give a hand to that wonderful institution which proclaims to all unfortunate beings the glad tidings of the kingdom of God; which preaches resignation; which inspires patience, gentleness, humility, self-abnegation and charity, and by means of which alone a man can breathe and see daylight—I mean, the christian religion. Alone it can offer the food for the soul which is not less essential than the food for the body. Alone it can furnish the inducements to live an orderly life and the resignation which makes life endurable. Alone it can bring to the saddened heart, athirst for tenderness and serenity, a divine and gentle word, "setting up," as Taine puts it, "the kingdom of heaven as a magnificent golden pavilion at the end of a miry morass."

By increasing the number of cases in which divorce can be granted, this bill will facilitate divorce generally. My amendment proposes to reduce divorce to a mere separation, and therefore, Mr. Speaker, will greatly reduce the number of cases in which divorce is sought in Canada. In proposing the amendment, sir, to this House of Commons I feel that I am doing my duty as a member and as a citizen of this country.

Mr. IRVINE: Before the hon. gentleman takes his seat, I understand that he opposes this bill on christian grounds. Would he be willing to apply the principle that he has expounded to all other bills—for instance, to the $5,000,000 vote for Quebec harbour, to the Petersen contract, and a number of other things?

Mr. VIEN: I think the question is preposterous. I do not think this House of Commons should enact any piece of legislation that is contrary to the christian principles I have spoken of.

Mr. IRVINE: That is my point.

Mr. VIEN: And I do not believe that the vote in respect of the harbour of Quebec in any way conflicts with the christian principle that I have advocated. My hon. friend might perhaps follow those christian principles in extending to others the treatment that he would like to have meted out to himself.

Mr. ANDREW McMASTER (Brome): I presume that the vote for the harbour of Quebec is absolutely in conformity with christian principles, as the apostle Paul

teaches us that if any provide not for his own, he is worse than an infidel.

I wish, Mr. Speaker, to direct the attention of the House this afternoon for a very brief space of time both to the bill which is under discussion and to the amendment moved by the hon. member for Lotbiniere (Mr. Vien) in his most eloquent and learned speech. Now what is the bill that is before us? It is a bill to apply to the province of Alberta. That province since its inception as a province has recognized, whether rightly or wrongly, the principle of divorce. It has set up a court, or given jurisdiction to its courts to consider and adjudicate upon questions of divorce. But the law in the province of Alberta is to this effect, that although a man may obtain a dissolution of his marriage on the ground of his wife's infidelity, the wife in order to get a dissolution of her marriage has not only to prove infidelity on the part of her husband, but has also to prove cruelty. Now I take my stand for the purpose of this argument precisely on the same basis as that taken by the member for Lotbiniere (Mr. Vien). I say it is opposed to the principles and to the teaching of the founder of our religion that equality should not prevail between the sexes in this regard. I say that it shocks the sense of christian justice to say to a man: "If your wife has been guilty of an offence against your honour and your home, you may divorce her," and to say to the wife "If your husband has been untrue to you, has committed an offence against your dignity and against your family life, he may go free unless in addition he has 'treated you rough', unless he has also banged you about." I say that is not christian morality, as I understand it.

Mr. LAPOINTE: Then you are wrong.

Mr. McMASTER: The Minister of Justice says I am wrong. I appeal from the Minister of Justice joking to the Minister of Justice serious. If the Minister of Justice was sitting as a judge in a court he would be disposed to treat the woman and the man precisely on the same basis. I know him too well to think he would treat them on any other basis.

Mr. LAPOINTE: Nobody has a right to do what is wrong—women as well as men.

Mr. McMASTER: Absolutely, but that raises the whole question of the righteousness of divorce, and that, I take it, is a question which was settled so far as Canada is concerned fifty-eight years ago at the time of confederation; for the different provinces came together then and they gave to the central power jurisdiction not only in marriage but in divorce. If divorce was an immoral thing, then the founders of confederation were immoral men, because they took to themselves the right to pass legislation on the question of marriage and divorce.

Mr. WOODS: Might I ask whether the province of Alberta has the power to rectify that injustice the hon. member has mentioned, or has it to be done through Dominion legislation?

Mr. McMASTER: It has to be done through us, because the legislation as regards marriage and divorce is situate in this parliament. It is the responsibility of this parliament, and the responsibility of no other.

I have briefly stated what is the object of this bill; I now desire to speak for a moment as regards the object of the amendment. The amendment is to throw back the bill into committee of the Whole in order that these words may be added to it:

> In no case where a divorce is granted by any act of parliament or by the decision of any court in Canada or elsewhere, shall either of the divorced parties domiciled in Canada have the right to marry again.

Now I can easily understand the man who says: Divorce is such a crime, it is so shocking to christian ethics, that I will have none of it. I would rather see the marriage tie persist in regard to the unfortunates who should be divorced; no matter how hard it may be for them, it is in the public interest that divorce should not be recognized. That is quite a reasonable attitude of mind to take. It is a view taken by one of the great churches of this country, a church which numbers among its members many of my friends for whom I have as high a regard as for any in this world. I utter what I am saying to-day not because I have any prejudice against the Roman Catholic faith or against the adherents of that faith. I believe among them are found as many who do justice and love mercy and walk humbly as are found among the adherents of any other church. I do not believe that the Divine Father has chosen his elect from among any one denomination, or any two or any three denominations. But I say this to you, Mr. Speaker: If divorce is a bad thing—it has been recognized, people are divorced and living separate—it is a worse thing to say that neither of them shall marry again. My learned and hon. friend who has proposed this resolution to the House draws no distinction between the guilty party and the innocent party. Suppose the father of a family has a beloved daughter, and early

in life she contracts an unfortunate marriage with a scallawag, who is unfaithful to her, gives himself to drink and drugs, and becomes a degenerate. There is only one thing for it; they get a divorce. Now the hon. member for Lotbiniere would say: In the public interest that daughter must be condemned to a life of celibacy for the rest of her life. Is that fair? Is that reasonable? Is that in the public interest? Some people will say, Yes. There are others, and I frankly state I am among them, who will say: No, that is not in the public interest. Whatever religious, moral, ethical or judicial arguments there may be in preventing the re-marriage of the guilty person in a divorce, surely there is no argument that will prevent the innocent victim of another's sin from leading a complete and normal life thereafter.

Mr. POWER: Would the hon. member hold out to the innocent person as a reward for virtue the public permission to marry again?

Mr. McMASTER: I do not believe that such an offer would have to be made to anyone, but I would say this: In my humble opinion it is only just and right that at least the innocent party to any divorce should be allowed to marry again.

Mr. POWER: As a reward.

Mr. McMASTER: As a reward for behaving themselves? No more than the reward which attends virtue in this House and in all other places.

Now what have been the arguments used by my learned and hon. friend in this House this afternoon? His was an address not against the bill as introduced by the hon. member for West Calgary (Mr. Shaw), but an attack against the law of divorce, an attack against the idea of divorce. He says in effect this: If you marry at all, that marriage can never be annulled for any purpose whatsoever. Now that is an argument, as I understand it, taught by the church to which he belongs. But my learned friend was truly catholic in all he said, and he quoted the Presbyterian Church. Well, it is not yet the 10th of June, so the Presbyterian Church can yet be heard from. The Presbyterian church does not preach that divorce is not allowable in any event. It says that for the cause of infidelity divorce is permissible, and that is all I am asking for, and all that the hon. member for West Calgary is asking for in his bill. He does not ask that the grounds be extended. He sets himself, as far as this bill is concerned, on the teaching of the Founder of our religion, which my learned friend says is part of the law of England. Well, if it is, I am afraid that sometimes the law has not been altogether observed. But we ask nothing more than that. We ask nothing more than the interpretation given to the words of Christ by the Presbyterian church. I think it is a reasonable interpretation. There is nothing more dangerous in the world than trying to discuss theological questions on isolated texts of Scripture, because you can often match one text with a text in an entirely different sense. But in the Sermon on the Mount, referred to by the hon. member who preceded me, the words of Christ, as I recollect them, are:

> He that putteth away his wife, save for the cause of adultery, committeth sin.

And the plain inference is that divorce is permitted when the other party has been unfaithful. Therefore I do not think it is right to base the opposition to divorce, as divorce, on the words of Christ because I think the proper interpretation—

Mr. BIRD: Will the hon. member give Christ's definition of adultery?

Mr McMASTER: Yes, it is a definition which would cause us to spend the greatest part of our time passing divorce legislation—that is if taken literally. My hon. friend knows what it is, and it is not necessary for me to refer to it. Now there is the situation. I have no complaint with members of churches other than my own that take a different view of this question from what I do; but is it not too late in the day to say that we shall not recognize divorce when this House—on division it is true—passes scores of divorces bills every year?

Mr. MARTELL: If the country to-day, tacitly at least, acknowledges the right to divorce, does not my hon. friend think that the proper thing for parliament to do would be to confer the right to grant divorces upon the courts of the land and not exercise that right itself?

Mr. McMASTER: My hon. friend asks whether I do not think—having adopted the principle of divorce by our early legislation—it would not be more fitting if we conferred on the courts of the land the right to grant divorces. I certainly think so. I think it is really a public disgrace that year after year we are asked to pass private bills which no one has got time to look at.

Mr. MARCIL (Bonaventure): These divorce bills give the innocent party the right to marry again. What right has the other party got?

Mr. McMASTER: Without having considered the question deeply I should say the marriage is set aside altogether and both parties are free to marry again. I am not prepared to say that that is not the best thing, but I do not need that in view of the argument made by the hon. member for Lotbinière who objects to the remarriage of either party.

Mr. MARCIL (Bonaventure): You put them on the same footing?

Mr. McMASTER: I would say it would be better in the public interest that people should be allowed to marry again rather than that they should not. That is merely my personal view, but it is not necessary to the purpose of this argument. I would say this, however—we cannot and should not be out of line with every other civilized nation in the world. Every civilized nation in the world has found it necessary—it may be because of the hardness of men's hearts—to admit, with regret, the necessity of divorce, and in most countries divorce courts exist. Divorce courts also exist in some of our provinces, and this bill is merely to give to one of those provincial courts the right to deal out even-handed justice in the matter of divorce as between man and woman. This is consistent with the law as it is in Great Britain, and it seems to me it is consistent with the highest moral ethics and with all christian principles. I trust that the amendment moved by the hon. member for Lotinière will be defeated, and that the bill as drafted will be passed.

Hon. CHARLES MARCIL (Bonaventure): Mr. Speaker, I have protested on previous occasions against the granting of divorce and I protest once again. The hon. member for Lotbinière gave several very good reasons why we should not extend the opportunities for divorce as we are asked to do in the present case. Divorce is a curse to every country. It is a curse to the United States at the present time; it is even becoming a curse to Canada. Let me quote some statistics which bear out the contention:

Divorces granted in Canada

Year	Number
1916	67
1917	54
1918	114
1919	376
1920	429
1921	548
1922	544
1923	505

Mr. SHAW: Does my hon. friend know that according to the statistical bureau no fewer than 1,368 divorces were granted in the year 1922 in the United States to couples from Canada?

Mr. MARCIL (Bonaventure): Every authority in the United States is denouncing the evil of divorce at the present time, not only clergymen but men holding the highest public positions. I want to read a few lines from an article by a gentleman who is very well known in Canada, who has occupied the highest position in the United States, and is at present occupying the distinguished office of Chief Justice of the Supreme Court of that country; I refer to Chief Justice Taft. His opinion, as set forth in Hearst's magazine of June, 1912, is:

> The increase of divorce in this country is a reflection upon the laws of our country. We ought not to permit the marriage tie to be dissolved at will. We ought to have a general uniform law on the subject that stiffens up and makes sacred the marriage tie.

In this country we do not agree on this matter of divorce. Neither did the Fathers of Confederation agree on it. However, they were compelled to accept the principle of divorce at the time of confederation because divorce courts existed then in Nova Scotia and New Brunswick. They were never created in Quebec, nor were they instituted in Ontario. A recent decision by the judicial committee of the Privy Council allows a man and woman to be placed on an equal footing in the prairie provinces, as they are at the present time in England, the result of certain legislation there some years ago. Let me quote a reason for the increase in the number of divorces in Canada:

> In explanation of the surprising increase from the 67 divorces granted in 1916 to 548 in 1921, emphasis may be laid on two main causes—(1) the unsettling psychological effects of the war period, combined with the long separations, and (2) the provision of new facilities for divorce resulting from a decision of the Imperial Privy Council in 1918, which enabled the courts of the prairie provinces to grant divorces where previously an act of parliament had been necessary. The slight decrease in divorces granted in 1922 from the previous year, followed by the more marked decline during 1923, may indicate that the wave of divorce due to the war has passed its crest.

I quoted some time ago the statement of an English newspaper that I do not happen to have at the moment. It was to the effect that when the law was amended in England putting the woman on the same footing with the man, 800 divorce cases occurred in the very first month after the law went into effect. Therefore we cannot blind ourselves to this fact: When we place woman on the same footing as man we are opening the door, indeed, we are throwing it open wider than it was

before, to new opportunities for divorce. The hon. member (Mr. Shaw) knows well that if this law were passed, within a very short time afterwards divorces would be granted in the west that were never granted before. For our part we hold that marriages are sacred. My own opinion, after an experience of twenty-five years in parliament, is that very few applications for divorce would be made if the right of remarriage was not granted. In these bills until a year or two ago we always added a second clause by which the right to remarry was given to the innocent party; we never mentioned the other party. But the other party was equally free according to the interpretation of the law, and therefore we placed the innocent and the guilty together. The latest statistics in the United States show that one marriage out of seven was dissolved last year. That is a warning for this christian country, that if we cannot all agree on the tenets of religion, we at least should agree on this one principle—that the marriage tie is perpetual and the family is the foundation of the state. If we rupture the family, then God only knows what will become of this country.

Mr. J. S. WOODSWORTH (Centre Winnipeg): Mr. Speaker, I should like to emphasize the fact that the amendment would alter entirely the character of divorce. The mover of the amendment (Mr. Vien) very clearly recognized this when he said that his motion would reduce divorce to mere separation. If this could be entertained at all by the House, it would really mean the sweeping away of divorce as it has been understood in this country for many years, and is understood the world over, and we would simply have legal separation—a far-reaching change that, it seems to me, ought not to be attempted simply by way of an amendment to a comparatively small change of the code.

I was astounded to hear the hon. member for Lotbiniere basing a great part of his argument on christian teaching, referring particularly to the Sermon on the Mount. It is not my intention to indulge in a theological discussion, but I would remind him that a large number of gentlemen in this House interpret the whole of the New Testament after a very different fashion, that he is proceeding on merely one particular method of interpretation, and one that does not appeal to very many outside those of one particular communion. It would seem to me rather unfortunate to precipitate a religious debate on the floor of the House, and personally I have no desire to be a party to anything of that kind. But it struck me, as the hon. member was quoting at length from the Sermon on the Mount that it might be interesting to hear one or two other quotations from that remarkable document. After considerable trouble I managed to secure a copy from the library. I note one or two passages, among them the following:

> Lay not up for yourselves treasures upon earth, where moth and rust doth corrupt, and where thieves break through and steal.

In all seriousness I should like to ask whether the hon. member intends us to believe that that is to be carried out in the same literal sense in which he would have us carry out the other passage?

Mr. VIEN: Surely.

Mr. WOODSWORTH: Then I would ask him how, as a legal gentleman, he manages to reconcile his profession with such a doctrine as that?

Mr. McMASTER: Quite easily.

Mr. VIEN: I am afraid it is most unfair for the hon. gentleman to put to me such a question, for its discussion, compared with theological discussions, would dwarf the latter into insignificance.

Mr. WOODSWORTH: I would remind the hon. gentleman that he introduced it, and he has placed some of the rest of us in a very awkward position, and if we answered his first argument it would involve us in a very lengthy discussion. I notice also this:

> Judge not, that ye be not judged.

I wonder whether that is quite consistent with the maintenance of our whole court system as we have it at the present time. Then I notice also the following:

> Blessed are the meek: for they shall inherit the earth.

I wonder whether that is quite consistent with the maintenance of particular ranks and orders that we find to such an extent even in this democratic country.

Mr. McMASTER: We got rid of knighthoods.

Mr. WOODSWORTH: I may also quote the following from the Sermon on the Mount:

> Blessed are the merciful: for they shall obtain mercy.

I wonder if that is quite consistent with the many decisions that are rendered by the Department of Justice when we make appeals for mercy.

> Blessed are the peacemakers: for they shall be called the children of God.

I wonder, too if that is always carried out, whether our system of militarism and police

is absolutely in accord with the teaching of the One who gave us the Sermon on the Mount.

Mr. DUFF: Is my hon. friend in the category of the peacemakers?

Mr. WOODSWORTH: I am not suggesting who is in that category.

Mr. McMASTER: Those who fought church union—they are the peacemakers.

Mr. WOODSWORTH: Then may I call the attention of the House to this:

Ye have heard that it was said by them of old time. Thou shall not kill; and whosoever shall kill shall be in danger of the judgment;

I wonder whether that is exactly in conformity with the faith of those who defeated the motion that was introduced for the abolition of capital punishment.

I say unto you, Swear not at all.

Is that to be interpreted literally, as our friends the Quakers do when they refuse to take even legal oaths?

Mr. MARTELL: I rise to a point or order, Mr. Speaker, and call your attention to the rule of the House that theological discussions cannot be engaged in. My hon. friend is preaching a sermon and with the Bible in his hand is endeavouring to show us all our sins and iniquities.

Mr. FORKE: Mr. Speaker, I should like the hon. member for Hants to quote the rule that he is invoking.

Mr. WOODSWORTH: Mr. Speaker, I should like to quote two or three more phrases from this document which has been used by the hon. member for Lotbiniere as the basis on which we should decide the question before the House:

Ye have heard that it hath been said, An eye for an eye, and a tooth for a tooth; But I say unto you, That ye resist not evil; but whosoever shall smite thee on thy right cheek, turn to him the other also.

And if any man will sue thee at the law, and take away thy coat, let him have thy cloke also.

And whosoever shall compel thee to go a mile, go with him twain.

I ask again, whether our whole system of national defence, our whole system of courts, our whole system of commercialism, are at all in accord with the teaching of this Sermon on the Mount. If they are not—well, I do not want to be the one to do all the judging in this case, but I would suggest that it is hardly fair to ask this House to base its discussion on the authority of a document whose teachings are not generally followed.

The hon. gentleman has suggested further that divorce is essentially immoral in character. May I remind him?—that the real meaning of the word "immoral" is "that which is against established custom", and that morality has varied from land to land and from age to age. We are here deciding what will be the established custom for this country, and I have no hesitation in saying that possibly in the working out of the problem we may establish a higher morality than that which has prevailed in the past. After all, what is marriage? Surely, the fundamental basis of it is simply the union of a man and a woman. We have the union of male and female in the lower animals about us. In the case of human beings certain sanctions have been thrown around this union.

Mr. McMASTER: Very properly.

Mr. WOODSWORTH: Quite properly, as the hon. member for Brome suggests, because to-day no individual man nor individual woman can entirely disregard the rights of the community and the welfare of the nations as a whole. For a long time these sanctions were closely connected with the authority of the church. I take it that according to the laws of England we are very largely free from the dominance of one particular church, and that we have passed beyond the stage when one particular religious ecclesiastical body can determine what others outside of that communion shall do. In this country it is the state that has decided conditions under which marriage may be undertaken. To no small extent the very institution of marriage rests on certain property rights and adjustments. There is not very much doubt about that, and it is, perhaps, necessary, if we are to have property at all, that certain property rights should be safeguarded in this way. That, I think, can be done even under a system of divorce. It seems to me, personally, that the welfare of the man and woman concerned is of infinitely greater importance than any property considerations that may be involved.

I should like to ask: If divorce is refused, what alternative do we have? Most of us know sufficient about the actual conditions of the world to recognize that very often the alternative is irregular connections of all kinds, and it is an open question, whether from the standpoint of morality it is not better to have things open and aboveboard than to have all sorts of clandestine or illicit arrangements. I quite recognize that an ideal element enters into marriage. Some of my hon. friends who have spoken are inclined to regard marriage as a sacrament. I almost like the word, not in the ecclesiastical sense at

all, but rather that there is something of a spiritual union in the ideal relationship which ought to exist between husband and wife. But let me speak of the other side, that where there is no love in such a union, the position of a woman under the marriage law may be very little better than that of a legalized prostitute, and it is against that situation that I would protest. I am speaking particularly of the woman because marriage is much more vital to her than it is to the man. The position of a woman when she has lost any love for her husband, nay, even lost respect for him, is intolerable under present conditions, and there should be some way in which real relief should be granted.

Reference has been made to the effect of divorces upon children, and to me that is one of the strongest reasons for limiting divorce; but I cannot be blind to the fact that the position of children in a home where there is no real union between husband and wife is by no means an ideal one. In many respects under those circumstances the home might be broken up and the children have a happier life and better prospects for the future if taken out of a home of that character. Therefore, even considering the welfare of the children, I cannot agree that we should retain the marriage bond as inviolable under every condition imaginable.

May I suggest that this demand which is coming for a larger measure of freedom in dissolving the marriage contract is coming, at least in part, because of the higher position that is being attained by women? For many generations, for many centuries, woman has been regarded as distinctly inferior. Her legal status has been inferior; her educational opportunities have been inferior; her economic position has been inferior. In some instances she was little more than a chattel. In many cases she had few property rights, and so she was more or less under the control and dominance of her husband, come what might I am glad to think that owing to various historical developments, women are gradually obtaining a position of equality with men. If they do so, that will have to be recognized in our various public institutions.

Mr. McMASTER: It is being recognized.

Mr. WOODSWORTH: Yes. This is simply another indication of the demand for such a recognition. In closing, for I do not want more than to indicate these positions, let me suggest that all the bill is asking for is this, that women in the west should be placed in the same position as women in eastern Canada. Surely they ought not to be denied that right. How can anyone in eastern Canada deny westerners that right? Further, the bill asks simply that women in the west shall have the same rights as men in the west now have, and I say: How can any man who respects women and the new position of women in the world, deny women that right?

Mr. VIEN: Will the hon. member not admit that my amendment has no bearing on the effect of the bill in respect of equalization of the rights of women and men?

Mr. WOODSWORTH: I would ask whether the hon. member would vote in favour of the bill in that case?

Mr. VIEN: No.

Mr. WOODSWORTH: I thought so, and it seems to me that this is simply one way of evading what would be the effect of the bill.

Mr. VIEN: My hon. friend will allow me a correction. It is not an evasion of the bill. As I said in my opening remarks, I resisted the bill. The House passed judgment on the principle of the bill. This amendment has nothing to do with the principle of the bill in so far as it tends to equalize the rights of women as compared with the rights of the men. It simply adds to the bill a clause which is quite different and implementary of the bill itself.

Mr. WOODSWORTH: I have already said that it seems to me the amendment proposed absolutely alters the character of divorce itself.

Mr. VIEN: Yes—not of the bill.

Mr. WOODSWORTH: Not of the bill, but that does not prevent me from saying that it would seem as if this were a means of defeating the end which the bill has in view.

Mr. VIEN: It cannot be so.

Mr. WOODSWORTH: Certainly it would result in the defeat of the end which the bill has in view, and if, after mature consideration, we are to decide that divorce is absolutely unchristian, immoral and should be against the laws of the land, let us decide that question on its merits. But when we have presented to us a definite bill asking simply that the women of western Canada shall be given the same rights as the women of eastern Canada; that the women of western Canada shall be given the same rights as the men of western Canada; then I do not see, if we

have any idea of justice, how we can refuse to endorse the principle contained in the bill.

Sir HENRY DRAYTON (West York): Mr. Speaker, I am not going to approach this question altogether along the lines indicated in some of the speeches. I suppose it is open to us all still to have our own convictions. I am going to hold to mine. And I suppose it is also proper to say that we should not unfairly endeavour to enforce our religious convictions upon anybody else. Personally, I still believe marriage is a sacrament, and I have heard nothing here to-day which changes that belief. On the other hand, I recognize that while that is a moral law obligatory on me, it well may be a moral law which I have no right to force upon somebody else whose sincere religious convictions are different from my own. My feeling on this matter is that our chief concern ought to be as to what is the right thing to do in the interests of the country as a whole and for the good of the Canadian people. I am not now going into the question of divorce on principle one way or the other. I tell you frankly that I am going to vote against the amendment. In the present situation, having regard to society; having regard to civilization such as, unfortunately, it is in some aspects; having regard to custom, which has such far-reaching influences, the custom that has grown up in our midst—having regard to all these things, I do not think it would be right for me to vote for the amendment. At the same time, however, I want to say that in voting against it I am going to take the opportunity of moving another resolution at a later stage. And I shall tell the House now briefly what my views are on the resolution which I shall propose.

First of all, apart from any consideration, moral or other, there should be no discrimination as between one sex and another or one part of the country and some other. The people in the east and the people in the west should be treated alike; everything should be on an equal basis; there should be no favours shown as between man and woman or as between district and district. The thing is so plain as not to need stating. I do not want to quarrel with the act, but I do think that we should not allow any condition to prevail which enables a man to go out and do a wrong merely for the purpose of breaking what he regards as a shackle. And such an opportunity is at present afforded. One eminent judge in England, speaking on this very question some time ago, said that there were innumerable divorces being sought in England at the present time the evidence in connection with which was merely a matter of arrangement between the parties, who go out deliberately and commit sin for the purpose of putting themselves in a position to obtain a divorce. De we want that sort of thing? I am not now speaking from the point of view of any religious tenet or from any religious feeling. I ask, however, is it a good thing for the Canadian home or for civilization at large that what I am still old-fashioned enough to believe is the corner-stone of a nation, the home, should at any time be broken up at anybody's whim without the slightest penalty ensuing? Do we want such a condition to exist in this country? I want to see the innocent protected and the guilty placed where at least it would not pay them to go out and make evidence for the purpose perhaps of ruining some other woman a little later on. That is what I should like to see done, and it is what I think we ought to bring about. And the motion I intend to move later on, after the present amendment is voted upon, is one to the effect that in cases of divorce the innocent may remarry but the guilty shall not be allowed to do so.

Hon. ERNEST LAPOINTE (Minister of Justice): I desire first of all to refer to a newspaper criticism I read, that my hon. friend from West Calgary (Mr. Shaw) had been granted the privilege of moving the third reading of the bill to-day because of the fact that he had agreed to postpone the consideration of it on two occasions when he had the right to do so, and this at the request of the government. It is said that he had been promised that he should be given the opportunity of moving the bill at all its stages, and that is the reason the Prime Minister (Mr. Mackenzie King) enabled him to bring the matter on to-day. I merely refer to this in passing.

I am going to vote for the amendment. I am opposed to divorce on principle and I am not ashamed to say so; and no compromise on this question can be acceptable to me. I am therefore opposed to the bill for the reason that it would facilitate divorce, while I am in favour of the amendment because I am certain that it would restrict the evil. The argument that women should have equal rights with men is, I admit, a popular argument especially in these times, but I do not admit the soundness of it in this instance. If divorce is a wrong, then no one has a right to commit that wrong; and the argument that men have the privilege to-day of doing a wrong is not a sound reason

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why women should be given the same privilege.

Mr. GOOD: Does the minister think it right for one section of the Canadian people—and, I take it a minor section—to impose its ideas forcibly upon the majority of Canadians on a question of this kind?

Mr. LAPOINTE: I do not know what my hon. friend argues or insinuates; I do not want to force my views on anybody. I think however that I have as much right as my hon. friend to express my opinions, and I am merely availing myself of that right. My views on this subject may not please the hon. member and I do not intend to attempt to force them upon him. But I hope that he will not try to prevent me from expressing them.

Mr. GOOD: I was misunderstood; perhaps I may be allowed to repeat the question. Is it right to impose upon the majority of the provinces of Canada who are now recognizing and sanctioning divorce, a restriction which is accepted and believed in by a minority of the Canadian people?

Mr. LAPOINTE: I do not agree with the hon. member as to where the majority or the minority lies in this case. My hon. friend has already offered resolutions in this House for which he claimed the support of the majority of the Canadian people; and really I know he is wrong in that assumption, for the majority of the Canadian people are against some of the proposals he has advanced. He may be wrong even in this instance. So far as the argument of my hon. friend from Centre Winnipeg (Mr. Woodsworth) is concerned, that the women of the west should be treated as the women of the east are treated, I do not know what he means; the women of the west have exactly the same right to come and apply to this parliament for divorce as have the women of Quebec or Ontario.

Mr. McMASTER: At greater expense.

Mr. LAPOINTE: At greater expense if you consider the cost of bringing witnesses. But that does not at all take from the force of my argument that they are absolutely on the same legal footing.

Mr. WOODSWORTH: Technically they are equal, but in practice they are not.

Mr. MARTELL: As a matter of law can a person domiciled in a province which has a divorce court come to the Senate of Canada for a divorce, and would the powers of the Senate be co-equal with those of the provincial court in that respect?

Mr. LAPOINTE: I have no doubt that that is the case. Now, is it not a tragedy—the hon. member for Bonaventure (Mr. Marcil) has referred to it—to witness in this House the number of divorces increasing every year, as has been the case for the last three or four years? We are spending hours every week enacting legislation on divorce, legislation which always contains the words, "right to marry again." We were proud of our record in that matter until very recently, but we seem to envy the record of our neighbours to the south, and we are going well in the direction of equalizing our record with theirs. Everybody speaks of equality and equalization; it seems we are working in that direction. I say it is a tragedy, and I absolutely agree with the hon. member for West York (Sir Henry Drayton) as to the necessity of preserving the home; and that everything that breaks up the home is an evil in itself. When we talk of this question of divorce we very often forget the children. I claim that when a man and his wife have children their position is changed; they owe themselves to their family and to their children; they are not free if they were free before. But nobody speaks about the children. Parents cannot divest themselves of that duty, and certain considerations which I have heard expressed this afternoon must disappear when this moral and social question, so important to society, is considered.

As I have said, I believe that divorce is an evil, and that we should not increase the facilities to secure it. I am opposed to the bill for that reason. I am in favour of the amendment, because I know that if the right to marry again is taken away from applicants for divorce we shall not have to pass so many divorce bills every week during session of parliament. If the amendment carries I know that it will be a very effective remedy for the evil. I will vote for the amendment. As to the amendment the hon. member for West-York (Sir Henry Drayton) said he would move, in view of the fact that, it would partly restrict the evil I think I will support it if the amendment of the hon. member for Lotbiniere is not carried.

Mr. HOEY: If this amendment carried, would the province of Manitoba, which now has its divorce court, still have the right to grant divorces in that province with the right to marry again?

Mr. LAPOINTE: No.

Mr. HOEY: This amendment would apply to the whole Dominion.

Mr. LAPOINTE: Everybody would be equal, if it is equality my hon. friend seeks.

Mr. HOEY: I seek information.

Miss AGNES MACPHAIL (Southeast Grey): I believe it is the desire, Mr. Speaker, of everyone in this House that the home should be preserved. I believe the preservation of the home as an institution in the future lies almost entirely in the hands of the men. If they are willing to give to women economic freedom within that home; if they are willing to live by the standard that they wish the women to live by, the home will be preserved. If the preservation of the home means the enslavement of women, economically or morally, then we had better break it, and for that reason I will support the bill and I will vote against the amendment. I would ask men to think of that and think of it seriously. I do believe that the economic freedom of women is one of the things that is causing increasing divorces, because women will not tolerate what they once had to tolerate. You can smile about it if you like, but I know a lot of men who talk very learnedly on a subject like this and who want women to be very pure and very chaste when they themselves are not fit to associate with a chaste and pure woman. So, when we have a single standard for men and women, both morally and economically, we shall have a home that is well worth preserving, and I think we can be quite sure it will be preserved.

Mr. SHAW: Mr. Speaker—

Mr. SPEAKER: I wish to inform hon. members on both sides that when the hon. member for West Calgary (Mr. Shaw) speaks, he closes the debate, and if any other hon. member wishes to express his views he should do so now.

Mr. T. W. BIRD (Nelson): As I have followed the debate, Mr. Speaker, I judge that the battle has been fought around the sanctity of the home. That is a point, I think, on which we are all agreed, at least verbally. But a question is arising in my mind as to the meaning we are putting into the words, "the sanctity of the home." I believe there is a fundamental difference of opinion here, and we ought to be frank and confess to it. I believe the mover of the amendment (Mr. Vien) has a somewhat different view of what constitutes the sanctity of the home from the view that I hold. However much I disagree with the mover of the amendment I greatly admire the manner in which he has approached this subject. His view of the sanctity of the home, however, is not one that I could entertain, biblical teaching, especially the teaching of Jesus, was centred on the preservation of the sanctity of the home; there was no other consideration in the mind of any biblical teacher. It was not the view of Christ or of the New Testament that the sanctity of the home could be brought about by any legal or ecclesiastical enactment. The sanctity of the home consists in the purity of the home, and the only thing that dissolves the home tie is not the divorce bill, but the act of infidelity. The only logical position for the Minister of Justice (Mr. Lapointe) to take, believing what he does, that the sanctity of the home must be kept inviolate, is to attach a penalty to the act of infidelity. If infidelity is a crime against the home and against the state, why does the Minister of Justice not make it a penal offence? That is the test that I would apply to the reasoning of the Minister of Justice.

Now, I for one do not deprecate the introduction of theological points of view into this debate; I think it is a good sign that such allusions can be made in this House. But this debate has established once again that you can prove almost anything by Scripture. If I were a polygamist I could substantiate my position quite easily from Scripture, and if I believed in celibacy I could do exactly the same thing. There is no point in referring to Scripture as the hon. member did in moving the amendment. The one thing that he did prove, but which he did not mean to prove, was that the teachers of Scripture were very human and that they recognized the relativity of all human laws and enactments. I think the reference in the New Testament to the Mosaic legislation is very significant. Moses would not have been a wise legislator if he had legislated in any other way than he did. He took into consideration, when he made his laws, the weaknesses of human nature. When we come to the New Testament, the same law of relativity must be confessed. The position of equality as between man and woman is taught in the New Testament, and I judge that that is the point in dispute at the present time. The Apostle Paul was quoted—another case of a biblical teacher whose teaching must be taken very relatively. I think the hon. member for Centre Winnipeg (Mr. Woodsworth) proved that the Sermon on the Mount must be taken relatively if it is to be taken at all. But the teaching of Paul was quoted by the hon. member who moved the amendment, the teaching of Paul with, not its Hebrew background, but its pagan background, because he was dealing solely with pagan customs in regard to marriage and

divorce, and with the pagan view of the relative positions of man and woman; and are we in this House, in the twentieth century, going to stand behind pagan conceptions of the relative positions of man and woman in the social order? Paul distinctly in his teaching to the Corinthians recognizes the situation which existed at that time, in which it was an unlawful thing for a woman to cut her hair. I wonder where we should be at the present time if the Pauline teaching was carried out literally. It is a glory for man to crop his hair, but it was a scandal for a woman to do the same thing. In many other things Paul's teaching is marred in that way, by conforming itself to the pagan surroundings in which he was called upon to preach the gospel in which there is no difference as between man and woman. Yes, and Paul was a celibate, and not only a celibate, but he was opposed to marriage on any ground. Talk about race suicide—Paul was a race suicidist with a vengeance! He believed that marriage was undesirable in that age, and if there is one way of committing race suicide, that is the way.

Mr. VIEN: I think the hon. member is a bit mistaken. Paul said that those who married did well, but that those who did not marry did better. I do not believe my hon. friend is correct in saying that Paul was opposed to marriage as an institution.

Mr. McMASTER: Better to marry than to burn, he said.

Mr. BIRD: He was speaking relatively. He knew that anything he said would not prevent people from getting married, but he gave it as his judgment, the end of the world being imminent, that it was better for them to remain as they were because to marry would only bring them unnecessary trouble.

As I said, here is a fundamental difference of opinion. You cannot legislate the home into sanctity. You cannot impose sanctity upon family relationships. I believe that here is a point of view which my hon. friend would do well to consider—if we can make this a little clearing house for ideas: I think there is a good deal in what he contends, that we ought to surround the home with certain artificial restrictions, with as many restrictions as it can bear, being the human institution it is. But on the other hand, having regard to what constitutes the real sanctity of the home, we must by all means in our power, whether social or economic, make it possible for that sanctity to be a real thing. That is the point of view which I am afraid my hon. friend does not grasp. We are living in an age when our women are going out day by day into our offices and factories to make their living. We are not living in the first century A.D., we are living in the twentieth century, when the position of women in society has been entirely transformed; and when you bring man and woman together to form a home, you must make it possible for them to keep that home intact. Why, when you read the divorce cases that come before this House, I will guarantee that drink is at the bottom of ninety per cent of them.

Mr. McMASTER: Can we legislate the home into sobriety?

Mr. BIRD: If my hon. friend the Minister of Justice is interested in the sanctity of the home, let him make it impossible for drink to enter our homes. And also, on the economic side: I want to point out to the Minister of Justice that economically considered it is almost impossible for the home nowadays to maintain its sanctity. It takes a lot to make a home. A home is not merely a spiritual thing, it is not a rarefied thing; it takes a house, it takes furniture, it takes a weekly wage; it takes many things to make a home in which both the man and the woman and the children may be contented and happy; and I would throw out the suggestion to my hon. friends that if they are interested in the sanctity of the home, which I believe they are, they should not be so much interested in imposing upon it artificial restrictions, either ecclesiastical or civil, but they should see to it that the very foundations which make a home possible are secure, make it possible for man and woman to live together and rear their children in decency and refinement. If sanctity was encouraged in that direction, the time would come when we could do without restrictions of any kind, because it is in the very nature of human beings to live together; it is in their very soul to do it, and it is only our conditions which drive them into the follies in which they ultimately land in many cases.

That is my point of view. I do not put it forth as against that of my hon. friend, but rather as in complement to it. I think that a discussion of this kind is capable of achieving very much in thus giving us an opportunity of frankly exposing what our attitude is. I am sorry that we should sometimes seem to come at these questions from diametrically opposite angles; but our training, our environment, has decided that for us, we are not to blame for that. But we are to blame if

somehow or other we cannot be reasonable with each other, and cannot out of these difficult situations arrive at something that will be for the good of our country which we all have at heart.

Mr. SPEAKER: A moment ago I said that the speech of the hon. member for West Calgary (Mr. Shaw) would close the debate; I should have said the hon. member for Lotbiniere. So the hon. member for West Calgary may speak now if he desires.

Mr. W. C. GOOD (Brant): I rise just for a moment to try to make myself plain to the Minister of Justice. He, I think, rather seriously misunderstood my question. I had in mind the situation which faces us now in all of the provinces, except Ontario and Quebec, where divorce courts are in operation. I presume that the people in those provinces have accepted the practice of divorce, and it occurred to me that it was a pretty serious thing to undertake such a revolutionary change, suddenly, and in the form of an amendment to a bill which deals with another matter; to upset the established practice of generations in all of our provinces, except one, or at the most two. I did not suggest that the Minister of Justice was wrong in speaking and expressing his views. He has as much right to express his views as anybody in this House, and we are always very glad to hear him. I credit him with entire sincerity. But I do call in question the propriety of attempting such a revolutionary change in the whole question of divorce by way of an amendment to a bill which really deals with another matter.

I have only this to say in conclusion: In this debate we are, I submit, confusing and co-mingling two distinct questions. There is the question dealt with by the hon. member for Lotbiniere as to the propriety of granting divorces in the commonly accepted sense of that term. That is a big question and a very important one, and I am free to agree with a great deal of what he says. I think divorce is a tremendous evil, and it is a question we ought to face, but we ought not to face it in the form of an amendment to a bill which deals with the equalization of the grounds of divorce as between men and women, which attempts to remedy a specific unfair discrimination. and I do submit that we ought, at the present time, to confine our attention to the one specific question dealt with by the bill, and leave for another time the general question, which is entirely separate, as to what ought to be the attitude of the Canadian people on the granting of divorce in general.

Mr. VIEN: My hon. friend will admit that the amendment as proposed does not affect the purpose of the bill in so far as it means equalization of the rights of women and men. It simply adds something to it in introducing that principle of which the hon. member has just spoken.

Mr. GOOD: Well, the addition practically nullifies the whole practice of divorce throughout Canada. I do not think that it is strictly in order as an amendment to the bill.

Mr. JOS. T. SHAW (West Calgary): In presenting this bill for the consideration of parliament I did not for a single moment anticipate that it would have aroused such a discussion and such a wide difference of opinion. I want to make it abundantly clear at the outset that the purpose of the bill is to secure equality as between men and women in western Canada so far as the grounds for divorce are concerned. It was introduced for no other purpose whatsoever.

It has already been pointed out by the hon. member for Brome (Mr. McMaster), and on the previous occasion when this matter was discussed, that in the courts of the four western provinces men and women stand in a different position. To establish a case for divorce the man must only prove adultery on the part of his wife; the wife must not only establish adultery on the part of her husband but in addition to that prove legal cruelty, or desertion for a period of at least two years. The bill was carefully designed and drawn for that specific purpose, to place men and women on a parity in that respect. By reference to the bill itself hon. gentlemen will see this explanatory note:

> The sole object of this bill is to give the wife the right to divorce her husband on the same ground (namely, adultery) that the husband can now divorce his wife.
>
> Legislation to the same effect was passed by the Imperial parliament in "An Act to amend the Matrimonial Causes Act, 1857" chapter 19, 1923 (Imperial statutes).

That law was passed by the same Imperial parliament to which the hon. member for Lotbiniere referred in such glowing terms a short time ago.

Now the Minister of Justice tells us that there is no necessity for this legislation; that men and women are on a parity now; that women in western Canada can come before this parliament, and on a basis of equality secure the adjustment of their rights in this particular kind of action. That is perfectly

true, but the Minister of Justice completely overlooks the practical difficulties in the way. He fails to realize that a woman is frequently almost entirely without funds for this purpose. She has to come a long distance, she has to incur great travelling expenses, she has to pay the Senate, $210, I think, as a preliminary payment, and she must be represented by a lawyer before the Senate committee. Yet the Minister of Justice is content to call that "equality," where a woman, from financial consideration alone, is utterly unable to meet the requirements which he praises so highly.

Mr. McMASTER: But which he does not like.

Mr. SHAW: Quite so. Now, Mr. Speaker, that is the purpose for which this bill was presented for the consideration of parliament. I want now to consider the purpose which my hon. friend (Mr. Vien) has in mind in presenting his amendment this afternoon. First of all he introduced an entirely new proposition, a proposition not related to the question of equality at all. However, I am not suggesting that his amendment is out of order. The hon. member opposed the bill on its second reading when the principle was established by this House. Now in order to accomplish his purpose and to put the bill out on the street, he is introducing another controversial subject which is not directly related to the issue raised by the bill, and seeks in that way to accomplish by an indirect method what he was not able to accomplish directly. It is strange that the hon. member, in this year of grace 1925, finds his bosom surging with the necessity of abolishing divorce completely. He has been a member of this House for at least eight years. Hundreds of divorce bills have passed the House in that time. I have looked through the record of the hon. member, and never on a single occasion has he presented an amendment here to accomplish this purpose in any particular instance whatsoever. It is strange that he should now—

Mr. VIEN: My hon. friend is not fair in his statement, although I am sure that he wishes to be. He will recall that in the De Martigny case I not only opposed the divorce in the House but I fought it in committee. On that occasion I was severely criticized. I was called a bigot and a narrow-minded man because of my opposition to that divorce. Furthermore my hon. friend knows well that it is the practice for all Roman Catholics in this House to abstain from voting on these bills. They do so because they know that these bills will be adopted by the vast majority of members. While on my feet I wish to remind my hon. friend that the purpose of my amendment this afternoon is absolutely consistent with my attitude in the past. The amendment has been submitted on the present occasion because my hon. friend's bill is the first general law dealing with divorce that has ever been introduced into this parliament. Other legislation in the past had to do with special cases.

Mr. SHAW: I give the hon. gentleman the credit for having opposed one divorce decree out of the many that have been passed since he became a member of this House.

Mr. VIEN: My hon. friend is not right even there.

Mr. SHAW: I have my hon. friend's own statement as authority.

Mr. VIEN: My hon. friend will allow me to correct him there. He knows well that the hon. members of the same religious faith as myself constantly oppose the granting of divorces, and we abstain from voting for bills of divorce when they come before the House.

Mr. SHAW: I was not speaking about the opposition of the hon. gentleman to any particular bill whether shown openly or in the method which he suggests. What I did say was that for the first time in his parliamentary career he has presented an amendment to this House—

Mr. VIEN: My hon. friend will allow me to correct him again.

Some hon. MEMBERS: Order.

Mr. VIEN: The correction I wish to make is to state that this is the first time any law of general application on the subject of divorce has been presented to parliament to my knowledge by any hon. member.

Mr. SHAW: I want to correct my hon. friend right there. In 1919 a general divorce bill was presented to this House.

Mr. CASGRAIN: And we voted against it.

Mr. SHAW: My suggestion is that on that occasion the hon. gentleman did not seize the opportunity afforded him to present the amendment which he now proposes to this bill designed to put women on a parity with men so far as divorce is concerned.

Mr. LAPOINTE: I was a member of this parliament at the time. I opposed the bill and it did not reach second reading.

Mr. SHAW: My recollection differs from that of the hon. Minister of Justice.

Mr. LAPOINTE: I am quite certain of what I state.

Mr. SHAW: My recollection of the matter still differs from that of the hon. Minister of Justice.

Mr. LAPOINTE: We cannot both be right. I know the hon. member is wrong.

Mr. SHAW: Hansard will show. Now, Mr. Speaker, the effect of this amendment is simply to eliminate divorce as ordinarily understood in this country and to establish in the rest of Canada the law of separation as it now obtains in the province of Quebec. That, I think, is substantially the effect of the amendment proposed by the hon. member for Lotbiniere. It is an amazing amendment. First of all, it makes no distinction as between the innocent and the guilty, it puts them on exactly the same plane.

Mr. McMASTER: He stands for equality.

Mr. SHAW: And yet the hon. member would convince us that he stands for equality. May I ask him this question: Suppose. for example, that a couple with children secured a divorce, and subsequently they realized that they had made a mistake and would, if the law permitted, remarry and reclaim their children, what would be the attitude of my hon. friend? Would he deny that couple the right to remarry? That is the effect of his extreme and amazing amendment.

Mr. VIEN: I am ready to enlarge my amendment to cover that case.

Mr. SHAW: My hon friend should have considered this and many other things at the time he drafted his amendment. But that is not all. The amendment is wholly frail and ineffective, because the situation will be that people denied equality of rights in this country will promptly go to the United States, and there my hon. friend has no jurisdiction and can secure none by reason of his amendment. Let me tell my hon. friend a situation which is arising in this country. I have in my hand a statement from the General Statistics branch regarding divorces in Canada, published by the authority of the Department of Trade and Commerce, and I read therein the following:

A fact which throwns considerable new light on the divorce situation in Canada is found in the Marriage and Divorce Bulletin of the United States Bureau of the Census. The statistics of this publication indicate the surprisingly large extent to which divorces are granted in that country to persons married in Canada. Thus, in 1922, no fewer than 1,368 divorce decrees were granted to couples married in Canada, a number more than two and a half times as large as the total number granted in Canada in the same year. This number also formed 36.2 per cent of the number of divorces granted in the United States during the year to couples married in foreign countries, while, at the same time, the percentage of the Canadian-born population to the total foreign born amounted to only 8.1 per cent.

The bulletin continues:

It is possible that many Canadians acquire residence in the United States for the sole purpose of obtaining divorce because, in general, divorce laws are more liberal in the United States than in Canada.

That situation would develop still further, and people denied justice in this country would simply go elsewhere to secure it.

Now, I have no objection to anyone holding conscientious views on any question, and I am prepared to concede to him my respect, as indeed I demand the same for my own views. but I do say that when we come before parliament with a simple proposition designed to establish equality between the sexes in relation to divorce, I do not think that it is either desirable or proper that an amendment, controversial in its character, should be introduced for the sole purpose of killing the bill and thus leaving the women of western Canada in the position of inequality not only with respect to their sisters in eastern Canada but also with respect to their menfolk in western Canada.

The hon. ex-Minister of Finance (Sir Henry Drayton) has suggested that if this amendment fails he is prepared to move another one, which will deny the right to the guilty party to remarry, but will not impose the same restriction upon the innocent party. I have no serious objection to an amendment of that character. If the courts were given discretion in any particular case to order that the guilty party should not remarry, then it seems to me that that would be doing only a measure of justice.

Mr. McMASTER: But would not that be likely to encourage far more illicit connections by the guilty party in after life?

Mr. SHAW: Undoubtedly there is a great deal of truth in what the hon. member for Brome says. The Royal Commission on Divorce in England in 1912 reached a similar conclusion. After examining the matter from all angles, they found that to deny even to the guilty the right to remarry would simply have the effect of increasing the number of illicit relationships, and consequently doing more harm than good. But, even in view of that finding, personally, I have no objection to some restriction being imposed on the guilty party. I do say, however, to the ex-Minister of Finance that if he moves his suggested amendment, and it meets with the

favour of the House, perhaps no more effective way can be taken of killing this bill, because then it will have to be put down again for third reading, and I cannot ask the government—for they are under no obligation in the matter—to fix another day for the third reading; with the result that the bill will be in exactly the same position as it was at the end of last session.

Mr. A. M. CARMICHAEL (Kindersley): Mr. Speaker, I am not of the same religious persuasion as the mover of the amendment (Mr. Vien), so that possibly I cannot be charged with having my views influenced in the same way as his may be; nevertheless I find that I do hold views similar to his. I feel, Mr. Speaker, that divorce is wrong in principle and in practice. I cannot find anything in my nature that is favourable towards divorce and remarriage. I can go so far as to favour divorce if remarriage is prohibited. A number of quotations have been made this afternoon from the Great Book and the words of the Great Teacher. It caused me to let my mind run away back prior to the writing of this Great Book and the teachings of the Great Teacher. I am led to the conclusion that the original divine intention was for one man and one woman to continue as one flesh so long as either one should live. If it had been otherwise, I am quite convinced that, instead of one woman being created in the Garden of Eden, there would have been an alternative woman created so that if Adam were not satisfied with Mother Eve, he would have somebody else that he could take as his companion. That kind of condition existed on down until the time of Moses, which was, I believe, some twenty-five hundred years later in the world's history. We could mention a number of cases that are exceptions to the rule, but exceptions always prove the general rule. When the Great Teacher was here upon earth, he was asked as regards the law instituted by Moses some twenty-five hundred years after creation, whether he would sanction divorce or not, and he said:

> Moses because of the hardness of your hearts suffered you to put away your wives; but from the beginning it was not so.

I prefer to take the original intention of the Creator that from the beginning it was not intended that man should put away his wife. Feeling as I do, I propose to support the amendment. In supporting the amendment, I feel it will not do away with the principle as embodied in the bill. The principle of the bill is to bring into effect equality as between man and woman in western Canada, and I am heartily in accord with that principle. The amendment does not affect that principle. The same equality stands. If the amendment is voted down and another amendment is proposed, as has been intimated by the ex-Minister of Finance (Sir Henry Drayton), it is next best to this amendment, and I shall certainly support the proposed second amendment.

Mr. J. L. BROWN (Lisgar): Mr. Speaker, this is not the first occasion on which issues have been confused by the bringing in of an amendment, and before we vote upon the amendment in its particular form or consider any subsequent amendment, it is necessary that we should clearly and definitely understand what we are voting on and what effect our votes will have. It is not my purpose to enter at any length into the theological discussion that has taken place. I am not prepared to admit that any of the statements that have been made by brethren surrounding me would altogether meet with my approval, and I would not like to say that their statement of New Testament teaching absolutely agrees with mine.

I should like to pay tribute to the spirit of the mover of the amendment (Mr. Vien) and the emphasis which he has laid upon the teaching of Jesus Christ. It might be well for us to remember that Christ was speaking to those who accepted him as Lord and Master. He was undertaking to lay down for those who accepted his teaching, what should be the law, and it will always be a difficult proposition for those placed in a position such as we are in as legislators to decide just how far we should impose upon others those laws which we accept for our personal guidance. The question of divorce is not the only question which we have to consider when we come to determine how far we can make the teachings of Jesus Christ applicable to the people of our land. So, for my part, I propose to put that question aside and to say that the teachings of Jesus Christ, so far as I am concerned, are for my personal guidance and not for me to seek to impose them upon others.

Let us consider what will be the effect of this amendment. I know the mover of the amendment has repudiated the idea that he wishes to defeat the bill. He says that this bill has already passed its second reading by a majority of the House and that his amendment will simply add a clause to the bill. That will not be the effect. The effect of the amendment, taking it in the words in which it is given is that this bill be discharged from the order paper and that it

again be referred to the committee with instructions to add the amendment. Undoubtedly, the effect of carrying this amendment at this late stage of the session will simply be to bury the bill in committee. If the hon. gentleman had been perfectly sincere in his declaration that that would be the only effect of his amendment, he might very well have moved his amendment as an amendment to this bill, without moving that it be discharged from the order paper. I am not thoroughly well informed in regard to the procedure in the House, and if I have not correctly stated the matter, I should like to get a ruling from the Speaker. But I think the hon. member could very well have achieved his purpose in that way, if that was the only purpose he had. Am I wrong in that?

Mr. McMASTER: I speak subject to correction, but I think a bill has to be ordered back into committee before it can be amended.

Mr. VIEN: On the third reading.

Mr. BROWN: In that case I submit to the correction. Let me ask this question: Is there any difference, in that regard, between public bills and private bills?

Mr. VIEN: No, they are the same.

Mr. BROWN: Because when the Church Union bill was before the House for its third reading last year, amendments were certainly moved, and my understanding of the matter was that an amendment could similarly be moved on the third reading of a bill such as this unless there is a difference between a public bill and a private bill.

Mr. FORKE: This is a public bill.

Mr. BROWN: This is a public bill introduced by a private member. It is not a private bill. If I understand the matter correctly, unless there is such a difference in procedure, there is no reason why the course which I have suggested cannot be followed, and the hon. member would then have an opportunity of demonstrating his good faith.

Mr. EULER: If there is such a rule, it could easily be suspended by consent of the House.

Mr. VIEN: I was advised by parliamentary counsel that this was the only course under the rules of the House.

Mr. BROWN: This is a point on which we might very well get a ruling from the Speaker. I would suggest, if the course which I have indicated is in harmony with the proper procedure of the House, we might very well follow it. I think the proper procedure at this time would be to vote down the amendment and carry the bill.

The House divided on the amendment (Mr. Vien) which was negatived on the following division:

YEAS

Messrs:

Béland,	Kyte,
Binette,	Lapointe,
Black (Huron),	Lavigueur,
Bouchard,	Lapointe,
Boucher,	Lovett,
Bourassa,	McGiverin,
Cannon,	McIsaac,
Cardin,	Manion,
Carmichael,	Marcil (Bonaventure),
Carroll,	Marcile (Bagot),
Casgrain,	Martell,
Charters,	Mercier,
Chevrier,	Motherwell,
Déchène,	Ouimet,
Delisle,	Parent,
Denis (St. Denis),	Pelletier,
Desaulniers,	Pouliot,
Descoteaux,	Power,
Doucet,	Pritchard,
Duff,	Raymond,
Fafard,	Rhéaume,
Fiset (Sir Eugene),	Roberge,
Fortier,	Robichaud,
Fournier,	Robitaille,
Gendron,	Ross (Simcoe),
Gervais,	St. Père,
Graham,	Séguin,
Hodgins,	Sinclair (Queens, P.E.I.),
Kennedy (Glengarry & Stormont),	Tobin,
King (Huron),	Vien,
	Woods,—60.

NAYS

Messrs:

Anderson,	Jelliff,
Bancroft,	Jones,
Baxter,	Kelly,
Bird,	Kennedy (Edmonton),
Bowen,	King (Kootenay),
Brown,	Leader,
Caldwell,	Lovie,
Campbell,	Low,
Coote,	Lucas,
Davies,	MacLaren,
Dickie,	Macphail (Miss),
Drayton (Sir Henry),	McBride,
Duncan,	McCrea,
Elliott (Dundas),	McDonald (Timiskaming),
Elliott (Waterloo),	McMaster,
Euler,	McTaggart,
Evans,	Millar,
Fansher,	Milne,
Findlay,	Munro,
Forke,	Murdock,
Gardiner,	Neill,
Good,	Putnam,
Gordon,	Sales,
Gould,	Senn,
Halbert,	Shaw,
Hanna,	Sheard,
Hanson,	Simpson,
Hocken,	Sinclair (Oxford),
Hoey,	Snowball,
Humphrey,	Speakman,
Irvine,	Spence,

Spencer,	Sutherland,
Stansell,	Tolmie,
Steedsman,	Warner,
Stewart (Argenteuil),	Wilson,
Stewart (Humboldt),	Woodsworth.—73.
Stirling,	

PAIRS

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

Messrs:

Mr. Fontaine.	Mr. Johnston.

Sir HENRY DRAYTON: I beg to move the amendment which is now in your hands, Mr. Speaker. We have already discussed the subject fully and as every hon. member has made up his mind upon it we might as well dispose of my amendment now. I do not want to move the amendment out of committee; I should like the House to consider this as an amendment moved in the House on the third reading, so that the bill will not be in any way impaired. The amendment is as follows:

In any case where a divorce is granted by an act of parliament or by the decision of any court in Canada or elsewhere, no person so divorced and found guilty of adultery shall have the right to marry again during the life of the other spouse, any other person, and any divorced person so found guilty of adultery upon so marrying again may be proceeded against and adjudged guilty of bigamy and subject to the penalties for such crime made and provided as fully and completely as if such divorce had not been granted.

Every order or judgment and every act of parliament granting a divorce on the ground of adultery shall contain an express declaration that the guilty party shall not be permitted to marry again except as above provided.

Mr. SPEAKER: The question is on the amendment.

Mr. VIEN: May I suggest to the hon. member that he should add to the amendment the words, "domiciled in Canada," because we cannot legislate for any except those who are domiciled in Canada.

Sir HENRY DRAYTON: That is understood.

Mr. H. C. HOCKEN (West Toronto): Mr. Speaker, I am afraid that the House is likely to be guilty of a piece of legislation that has been ill considered. I have no sympathy with divorce and no desire to assist any guilty party, but there is another side to this question that the House ought to consider carefully before they vote upon it. The proposal of the amendment is that the guilty party shall not be allowed to marry again, and to a certain degree I sympathize with that idea. But if we put that upon our statute books the result will be an increase of illegitimate children in this country that will be more deplorable than the remarriage of divorced persons. If a man has been found guilty of cause sufficient for divorce you cannot stop him from living with some other woman if he wants to, and if there are illegitimate children, those children will know of it as they grow up and it will be a very great detriment to their character and to their whole outlook in life.

Mr. SPEAKER: I understood from the remarks of the mover of the amendment that the vote might be taken at once, and I put it by leave of the House, but as I understand further discussion will take place I will therefore call it six o'clock.

At six o'clock the House took recess.

After Recess

The House resumed at eight o'clock.

Mr. HOCKEN: Mr. Speaker, just before the House rose I had risen to delay action on what I consider to be a very important piece of legislation. I had no intention of getting into the discussion, and when the amendment was defeated I think it should have been left there, because introducing anything further at this time simply confuses the issue without giving parliament sufficient opportunity to consider what we are really doing. I was surprised, Mr. Speaker, to find the hon. member for Lotbiniere (Mr. Vien), by inference at least, approving of divorce. Perhaps if he were here he would say that he did not approve of divorce, but I submit that when any man undertakes to discuss a bill on divorce and places limits here and there, assists materially in preparing a bill on divorce, he is inferentially approving of divorce.

Mr. VIEN: No.

Mr. HOCKEN: I would think it would be much more consistent for any member of this House who does not believe in divorce to refrain from taking any part in framing a divorce bill.

Mr. VIEN: Will my hon. friend allow me an explanation on that? The second reading having been voted on, and the sentiment of the House having been manifest in respect of the principle of the bill, we accepted the inevitable, and we tried to apply such a corrective as would render it acceptable, by changing divorce into a mere separation.

Mr. HOCKEN: The hon. gentleman's explanation may satisfy him, but it will hardly satisfy any logical mind, because if I did not believe in divorce under any circumstances, I certainly would not share in the respon-

sibility of preparing a bill on divorce. So to that extent I think he is quite inconsistent.

He quoted for us the statements of Jesus Christ on divorce. He quoted I think from all the gospels, from three of them at least, but the very quotations he gave us destroyed his argument. According to what he read to the House, Christ on three different occasions said that a man should not divorce his wife, but he made an exception, as the hon. member read, Christ said, "Except for fornication or adultery." Now I submit to this body of lawmakers that if you make a law of any kind and say this or that shall not be done, except under certain circumstances, that exception rules the whole statute, and the exception that Christ made in his statement regarding divorce I think must logically be taken as his formal, deliberate deliverance on that point. So I think the hon. member has destroyed his argument so far as it rests on scriptural ground. I think he would have been more consistent if he had presented an amendment prohibiting divorce.

Mr. VIEN: Would the hon. member vote for such an amendment?

Mr. HOCKEN: No, I would not, but that would be in accord with the views of my hon. friend, as I understand them.

Mr. VIEN: When you cannot have a whole loaf, you take half a loaf.

Mr. HOCKEN: I do not think that is altogether the view of those from whom my hon. friend takes guidance on this question.

Mr. VIEN: They are quite satisfied.

Mr. HOCKEN: Oh, I do not think so. I think the proper course for the hon. member would have been to move to amend the bill by prohibiting divorce entirely but of course he would not do that. When he abandons that position, and takes the responsibility of placing limits upon the conduct of divorced persons, he can hardly be said to be opposed to the principle.

I submit, Mr. Speaker, that marriage is primarily a civil contract. It is so in this country; and it must be. It is the civil consequences of marriage with which this parliament or any other, must deal. The question of the moral basis of marriage is for the man or his wife, and perhaps for his religious leaders, to discuss, but this parliament cannot go beyond the civil consequences of divorce. If we are going to preserve our social organization, marriage must be a civil contract primarily, above and beyond all other considerations. Those who unite in wedlock and bring children into this world must be made responsible for their maintenance, their care, their education and training, and fortunately there is left in the human race a sufficient sense of that responsibility to induce most people, indeed the whole people with some very, very few exceptions, to observe those responsibilities. If it were not so, civilization could not hang together; certainly no such social organization as we have could last any length of time.

We have made clergymen the agents of the state in this country. Unlike some other nations, in Canada marriage is not altogether a civil contract. It is that, in the first instance; it is that primarily, for no clergyman can unite in marriage two persons unless a license has been issued by the responsible civil authority. If that course is not followed, then in certain churches the banns are called, three times I think, which is taken to fill the place of the license that the state requires. To that extent in Canada we recognize the place that the church holds in marriage. I am not going to dispute the wisdom of the church having its place in performing the marriage ceremony and exercising that much control. But if we go to some other countries we will find that the situation is different. If my hon. friends went to Italy, and desired to be married, there, they would have to go before the mayor or his deputy to be married. They might, if they chose—but that would be a matter of individual choice—have some kind of a religious blessing follow the civil marriage. If I am not mistaken, the same law is in existence in France, Mexico, and a number of other countries. But I want to point out here that even in Italy, which is perhaps the centre of the greatest single religious organization in the world, marriage is a civil contract, and if it were not for that, and that civil consequences could be imposed upon those who enter into such arrangements, Italy could not hold together any more than any other state. So that all this parliament is or can be concerned with is the civil consequences of the marriage.

I objected to and voted against the amendment of the hon. member for Lotbiniere. I also am opposed to the one moved by the hon. member for West York (Sir Henry Drayton), although the latter is only half as bad as the former because it imposes disabilities upon one instead of upon two. In the case of the amendment that was voted down before dinner, my hon. friend would punish the innocent and virtuous party equally with the guilty party. A more preposterous

proposition has never been submitted to parliament. If a man or a woman has lived honestly and virtuously, and fulfilled all the marriage vows, and has suffered from the infidelity of his or her partner, why should the punishment upon him or her be just as great as upon the guilty party? I cannot see how any person can defend that, although apparently there are some members on both sides of the House who are able to do it. But even a life partially ruined by the infidelity of the partner, under the amendment of my hon. friend opposite, would be wholly ruined by the law. There would be no chance of securing any degree of happiness under any other relation. I do not think that justice is to be found in the course where the innocent are made to suffer.

I am one who deplores the prevalence of divorce. I think it is one of the most destructive things in the social life of this continent, and of the other continent as well. But I do not think the remedy is to be found in preventing the legal separation and subsequent marriage of those who find it impossible to live happily together. Take a case such as many we have had in the reports from the Senate. I have looked over a number of them, and I think that in at least a dozen instances the evidence goes to prove that a woman has left her husband and taken up with another man. She is living with him and they have several children. When the innocent party secures a divorce that couple can marry. They can in that way legitimize their children, and any further issue from that union would be legitimate. But leave them where they are, and what is the case? Why, the children are illegitimate, and they carry that stigma to the grave. They not only carry it themselves but they pass it on to those who happen to be their children. Now reverse the case. A man leaves his wife and goes with another woman, and they live together. Is it better to have those two people living in that illicit way than to offer them some means by which they can live honestly together, and the issue of their union as they grow up to be men and women who can hold up their heads, and nobody point the finger of shame at them. You may say this thing is all undesirable. Of course it is, but you cannot stop that condition; you cannot stop it as long as the primal passions of mankind exist, and if that dies out the divorce courts will not be necessary. But let me ask my hon. friends, is it better for a woman to live in concubinage with a man than to make it possible for them to marry? Now consider the effect of marriage upon them? Here are a man and a woman living under circumstances of which they are ashamed whether they will acknowledge it or not. They are carrying with them all the time a sense of shame and of dissatisfaction with their lives. They cannot be useful citizens to the degree that nature has possibly endowed them. Well, back in their minds their exists the thought that they are living in this way. But if they were legally separated from their former partners and they could be legally married, there would be a change in their mental outlook that I venture to say would make them very different people socially, and as citizens of the country.

But to my mind, Sir, that is not the worst aspect of it. Consider the position of their children, the innocent issue of an illicit union. You make that illicit union permanent, and give no hope to those little ones born out of it to take their places as the legitimate offspring of a married couple, and they will carry that stigma to the grave. They will be pointed out at school; they will be pointed to as they grow up; they will carry a burden on their minds that is more destructive to their mental and spiritual development than anything else that can happen to them. I think it would be a mistake for this parliament to put even a hundred or a thousand people in such a position as that. If you could stop all vice, if you could stop all impropriety it would be different. But you cannot, and that fact might as well be recognized. That being so, let us make the best of the situation as we find it to-day, and apply such remedies as would be useful in the interests of society as a whole. I can imagine, Mr. Speaker, a boy or a girl born of such a union growing up to a marriageable age and, perhaps, marrying some person who is not aware of the bar sinister, but who afterwards discovers it. There would creep into that home, and between that couple something that could never be eradicated; there would be a loss of confidence and a loss of that happiness that might otherwise have been secured if the bar had not been there. Happiness to a couple under such circumstances is impossible. And you know, Mr. Speaker, and every man in this House knows, that that kind of thing is carried on from generation to generation. There are men in important places in the public life of the world who are still pointed to as having ancestors whose lineage was not regular.

I submit, Sir, that to take any action that would increase illegitimacy in the country is about the last thing that this parliament ought to do. There is an old saying "that marriages

are made in heaven." Well, some of them may be, but others do not look like it; and even a marriage that may be made in heaven requires a great deal of patience, good will, and adjustment between man and woman before that state of happiness can be acquired which is so desirable and which so many people enjoy. A man who looks upon his marriage simply as a civil contract is lacking in some of the elements of good citizenship, some of the elements of a good husband and a good parent. Unless a man and woman can discover the spiritual quality of the union, unless they are willing to accept all the obligations and make the enormous sacrifices that are sometimes required, then they fail in discovering the real purpose of marriage. But you cannot get that into legislation. All you can do is to try, if possible, to remove the greater of the evils that exists, or may exist, the condition where men and women cannot live together —where a woman cannot be expected to live with a man, or a man be expected to live with a woman.

Of course, these amendments have carried the question far beyond the bill of my hon. friend from West Calgary (Mr. Shaw). All he wants to do is to put a woman upon the same favourable level as a man. Well, is there any argument as to the justice of that proposal? I cannot imagine any man in his sober senses, certainly not any man having a wife and family, who would argue that his wife should be under greater disabilities than himself in a matter of this kind. If a man sins, should he escape easier than his wife? Should it be made more difficult for a woman to escape from the infidelity of her husband than for a husband to escape from the infidelity of his wife? For the life of me, Mr. Speaker, I cannot imagine any logical argument in favour of such a contention, and how it comes about that such a law could be on the statute book is a mystery to me. Here are two parties. I assume that they are equal under all circumstances and in all relations; as a matter of fact, sir, if they are not equal the advantage ought to be with the woman. She is said to be, though she is not always, the weaker vessel. But if we are going to take care of any persons in this country by legislation, it is the women and the children that we should take care of, and in considering a question of this kind they should get all the protection that this parliament can give them.

I do not think it is necessary for me to labour the question any further. I was opposed to the first amendment on principle. I am opposed to the second amendment on principle. I support the third reading of the bill introduced by the hon. member for West Calgary as being one in the interests of justice, square dealing and fair play between men and women who have entered into marital relations.

Mr. A. W. NEILL (Comox-Alberni): Mr. Speaker, I submit that the amendment is out of order. I have only had the advantage of hearing the amendment read, I have not been able to study it, but if my memory serves me right its purpose is to make a man guilty of bigamy and punish him therefor if he is the guilty party in a divorce suit and marries again. That is the effect of the amendment, but of course I am not able to repeat its terms literally. Suppose a man is divorced in Britain, and he is the guilty party, and afterwards he marries the co-respondent. I leave out of consideration the argument of my hon. friend from West Toronto (Mr. Hocken) as to the moral benefits of his action. But that man marries again in England in compliance with the law of the land. Then he comes to Canada, but Canada says, "We will put you in jail for bigamy." I am aware that in theory parliament can create a crime within its jurisdiction; but it cannot create a crime in England. Very properly we might say to a divorced man coming from the Old Country that he shall not marry in Canada, and we might stretch a point—although I think it would be grossly unfair—and say that he shall not live in marital relations with a woman in Canada. But it is surely against public policy at any rate, to say that he shall be punished when he arrives in Canada for an act that is perfectly legal in England, New Zealand, Australia or any other part of the British Empire. I submit, therefore, sir, that we are beyond our powers in attempting to legislate in this regard.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Mr. Speaker, I do not think it is necessary to argue the merits of the contention as to whether such legislation would be ultra vires of this parliament. But because any legislation is ultra vires does not mean that it is out of order for consideration by us. In a word, I do not think it is a point of order; it is a point of law.

Mr. SPEAKER: Do any other members wish to speak on the point of order?

Some hon. MEMBERS: Question.

Mr. SPEAKER: The amendment reads as follows:

That this bill be not now read a third time but that it be referred to the Committee of the Whole with instruction that they have power to amend the same by adding thereto the following two sections:

(1) In any case where a divorce is granted by an Act of parliament or by the decision of any court in Canada or elsewhere, no person found guilty of adultery and divorced shall have during the life of the other spouse, the right to marry again any other person, and any divorced person so found guilty of adultery upon marrying again may be proceeded against and adjudged guilty of bigamy and be subject to the penalties for such crime made and provided as fully and completely as if such divorce had not been granted.

(2) Every order or judgment and every act of parliament granting a divorce on the ground of adultery shall contain an express declaration that the guilty party shall not be permitted to marry again except as above provided.

The parliament of Canada is supreme, and if it should pass any act which is ultra vires, the courts would decide the validity of such act. It is not for the Speaker to declare—although he presides over the highest court in the land—as to whether any proposed legislation is ultra vires, and therefore I do not see that the point is well taken in the present instance. Every day we take upon ourselves to declare as illegal in Canada what may be perfectly legal in other countries. For example, by the Immigration Act, parliament may declare that no bolshevik will be permitted to enter the Dominion, and that if he does cross the boundary he shall be arrested and deported, although such a person would not be considered a criminal in Russia, for instance. That is our privilege and our right, and I do not think that such legislation would be considered ultra vires. At all events, as the right hon. leader of the opposition (Mr. Meighen) said a moment ago, this is a question of law, and I do not see that there is any point of order in the objection raised by the hon. member for Comox-Alberni (Mr. Neill). Such is my ruling.

Mr. FRANK S. CAHILL (Pontiac): Mr. Speaker, I do not wish to debate the merits of the bill or of the amendment, but when the resolution preceding the bill was before the House some weeks ago and my hon. friend from Bellechasse (Mr. Fournier) was speaking on it, the question was raised by some hon. member opposite that he should oppose all divorces in this House, and that friends of his of the same belief should do likewise. I merely rise, Mr. Speaker, to give notice that if this parliament should extend to another session, or if I should be again returned to this House after the next election, I intend to oppose any further divorces in this House as strenuously as possible; which would mean, Mr. Speaker, that you and the committee on Rules would be busy from time to time devising rules that would permit of divorce bills passing this House. As it is now, these bills must be passed between eight and nine o'clock, and it is quite easy for two or three members of the House to oppose their passage during that hour. If the present rule relating to private bills continues, of course no divorce bill could pass this House when opposed by three or four members of either side. I think the time has come when divorces ought to be dealt with by the courts, if they are to be dealt with at all, not by this House. That is the reason I am giving notice now, Mr. Speaker, of my intention next session.

Mr. SPEAKER: I would remind hon. gentlemen that it is not quite proper to promise, especially in advance, that there will be any obstruction.

Mr. CAHILL: I am only saying, Sir, that it will exhaust your ingenuity to find means of stopping four or five determined men on either side of this House from obstructing any legislation of that kind that may be proposed.

Mr. BOYS: Would the hon. member support in this House a bill creating divorce courts in Ontario and Princee Edward Island, the only provinces, outside of Quebec, in which we have no divorce courts at the present time?

Mr. CAHILL: I would not aid in the establishment of a divorce court in any province. I would not aid in the establishment of a divorce court of any kind anywhere.

Mr. BOYS: I though my hon. friend said that he felt divorce was a matter which should be dealt with by the courts?

Mr. GRAHAM: If it was dealt with at all.

Mr. BOYS: How can Ontario deal with divorces if there is no divorce court in that province?

Mr. CAHILL: So much the better for Ontario if there is no divorce law in that province and divorce is not permitted in this House. Personally, I do not support divorce in any fashion in any province in this Dominion. As I said before, I am rising only to make the declaration that if I am in this House at the next session of parliament I intend to oppose divorce. I propose to oppose it from now onwards just as the hon. member for Bellechasse (Mr. Fournier) and other hon. members.

Mr. WOODSWORTH: Would the hon. member assist in securing an amendment to

the British North America Act to allow us to adjust our own affairs? If not, I take it that that is equivalent to a notice that an attempt is being made to break up confederation.

Mr. HOCKEN: I was going to ask whether the committee on Rules would take cognizance of what my hon. friend has said and prepare rules to make it impossible to carry on such a policy as he suggests.

Mr. CAHILL: I hope so.

Mr. EULER: There is provision in the rules now for obviating any such course of action as is proposed by the hon. member for Pontiac (Mr. Cahill), as he will find out if he tries it.

Mr. MURRAY MacLAREN: Mr. Speaker, I am quite prepared and ready to vote on the bill that has been brought forward by the hon. member for West Calgary (Mr. Shaw). That is a clear-cut issue. The attention of the House has been drawn to it during the past few weeks or months, and we are prepared to vote in an understanding way. The amendment that we have before us has, I think, been brought forward rather hastily. I do not think we are giving the consideration due to the importance of that amendment in the manner in which we have been considering it during the time we have had this afternoon and evening, and under the circumstances I am going to vote against the amendment. As regards an amendment of this character involving the charge and punishment of bigamy, an amendment which must have been drawn hurriedly, but which is of considerable length, we should have an opportunity of reading and studying it before it is passed. It is far too important a matter to deal with hastily, and I do not believe the House will act advisedly in passing such an amendment during this session. The House should be in possession of the amendment in printed form, as a matter, not of order, but of judgment and of being careful.

Further, the amendment has no direct connection with the bill. It is open to the hon. member for West York (Sir Henry Drayton) or any other hon. member to bring forward at any time an amendment of that character, quite independently of the bill which we have before us. Therefore, I do not think there is any need of tacking this on to a clear-cut question which every hon. member can vote "aye" or "no" to according to his best judgment. As regards the merit of the amendment, whether this restriction should be imposed or not, personally I have not made up my mind. I have reserved my opinion within myself. I have not come to a decision and I am not prepared to come to a decision in such a hurried manner as this. This is a wide subject. There are many aspects to it. I have not formed an opinion myself and I decline to form one at so short notice. Consequently, I propose to oppose the amendment. For these reasons, I move the adjournment of the debate.

The House divided on the motion (Mr. MacLaren) which was negatived on the following division:

YEAS

Messrs:

Arthurs,	Lovett,
Béland,	Macdonald (Pictou),
Benoit,	MacLaren,
Binette,	McGiverin,
Bouchard,	McIsaac,
Boucher,	McKillop,
Cahill,	Manion,
Cardin,	Marcil (Bonaventure),
Carmichael,	Marcile (Bagot),
Carroll,	Martell,
Casgrain,	Meighen,
Charters,	Mercier,
Déchêne,	Michaud,
Delisle,	Motherwell,
Denis (Joliette),	Ouimet,
Denis (St. Denis),	Pelletier,
Desaulniers,	Pouliot,
Descoteaux,	Power,
Deslauriers,	Putnam,
Doucet,	Rankin,
Duff,	Raymond,
Fafard,	Rhéaume,
Fiset (Sir Eugene),	Rinfret,
Fontaine,	Roberge,
Forrester,	Robichaud,
Fortier,	Robitaille,
Fournier,	Ryckman,
Gendron,	St. Père,
Gervais,	Savard,
Graham,	Séguin,
Harris,	Sheard,
Healy,	Stansell,
Kyte,	Stevens,
Lanctôt,	Stewart (Hamilton),
Lapierre,	Stork,
Lapointe,	Tobin,
Logan,	Vien.—74.

NAYS

Messrs:

Anderson,	Dickie,
Baldwin,	Drayton (Sir Henry),
Bancroft,	Elliott (Dundas),
Baxter,	Elliott (Waterloo),
Bird,	Euler,
Black (Halifax),	Evans,
Black (Huron),	Fansher,
Black (Yukon),	Findlay,
Boys,	Forke,
Brethen,	Gardiner,
Brown,	Garland (Bow River),
Caldwell,	Good,
Campbell,	Gordon,
Clark,	Gould,
Clifford,	Grimmer,
Coote,	Halbert,
Crerar,	Hanna,
Davies,	Hanson,

Hocken,	Morrison,
Hodgins,	Munro,
Hoey,	Murdock,
Hopkins,	Neill,
Hubbs,	Parent.
Humphrey,	Preston,
Irvine,	Pritchard,
Jelliff,	Reed,
Jones,	Ross (Simcoe),
Kelly,	Sales,
Kennedy (Edmonton),	Sexsmith,
	Shaw,
Kennedy (Glengarry & Stormont),	Simpson,
	Snowball,
Kennedy (Port Arthur & Kenora),	Speakman,
	Spence,
King (Huron),	Spencer,
King (Kootenay),	Steedsman,
Leader,	Stewart (Argenteuil),
LeSueur,	Stewart (Humboldt),
Lovie,	Stewart (Leeds),
Lucas,	Stirling,
Macphail (Miss),	Sutherland,
McBride,	Thurston,
McDonald (Timiskaming),	Wallace,
McMaster,	Ward,
McQuarrie,	Warner,
McTaggart,	Wilson,
Millar,	Woods,
Milne,	Woodsworth.—93.

Mr. ROBERT FORKE (Brandon): I said nearly all that I can say on this question when the bill was before the House for its second reading, and I rise now largely for the purpose of expressing my views regarding certain sentiments that were voiced by the hon. member for Pontiac (Mr. Cahill). There are four provinces in western Canada which will have their eye on this debate, and I take this opportunity to place myself on record on the subject. I want to give credit to every member in this House for sincerity in his belief, and I am ready to think that everyone is acting conscientiously according to what he conceives to be right. I have not been altogether impressed by those who have gone to scripture to prove their case; I do not know that this will get you anywhere. I believe that the Scriptures are the proper place to go to in order to get an idea regarding the general conduct of life; but if you undertake to adjudge from scripture any individual action in everyday life, then I am afraid you will be involved in great difficulties. I do not think that anyone has proved anything from these quotations for the simple reason that we find hon. members speaking on both sides and quoting scripture to prove their case, putting their own interpretations upon it. If members are conscientious in their opinions, it seems to me a strange thing that any hon. gentleman should propose to introduce some system that would prevent others from endeavouring to have such opinions carried into effect. I think other methods can be found than blocking the business of the House when members try legitimately to express their ideas of what they consider proper in any given case.

On this particular question, I have no hesitation in saying that I deplore the fact that divorce is increasing in Canada. Some want to tighten the law, considering it too lax. The hon. member for Southeast Grey (Miss Macphail) this afternoon expressed the view that the evil might be remedied if women were put on the same economic basis as men. I do not see the force of this contention. inasmuch as women to-day are occupying a status more on an equality with men than they have ever enjoyed before. And yet, this fact notwithstanding, divorce is rapidly increasing. Perhaps it is a tendency of the times. I noticed the other day that a judge in Winnipeg made the statement that crime was on the increase. Now, I want to speak guardedly because it is so easy for one to be misunderstood. But that judge expressed it as his opinion that the reason for this increase in crime

9 p.m.

was the fact that mothers spent so much time reforming society in public meetings and other places instead of instructing their children at home, as they used to do in days gone by. I am only repeating the opinion of this judge, and there may be some truth in that respect. I had an opportunity of speaking yesterday afternoon at a meeting and I will repeat a few sentences I used then. I have recently read a book by Harvey Robertson on "Mind in the Making", in which he points out the tremendous effect which the first few years of a child's training have on after life; and it is possible that a remedy can be found for some of the ills that are affecting the body politic at the present time if a little more care and attention were devoted to the education of our young people in the formative period of life, with a little less legislation. As I have said before, I think we are rather over-fond of legislation; and we become impatient of its restraint as soon as we have enacted it. If more attention were paid to the education of the young people I think greater good would result that we are likely to secure from too stringent legislation. The tendency of the time is towards greater liberty. I do not know exactly where we are going, and as I have said before, I deplore the fact that divorce is increasing. But as has been pointed out in this House, the evil that causes any divorce has existed long before the divorce is an accomplished fact; there must have been wrong living and wrongdoing that made it necessary.

I repeat that I would ask those who oppose divorce to believe that many of us who sup-

port this bill are just as bitter against divorce as they are, but we do not think you can cure an evil by hiding it or keeping it out of sight. I think it is possible by proper teaching, through the education of our young people to follow the cardinal virtues of human life, honour, justice, truth and righteousness, to bring about a greater reduction in the number of divorces than we are ever likely to do by obliterating our divorce laws from the statute books. I say again that I would like those members who wish to see divorce abolished to believe that we are just as sincere, just as honest in our idea of what is right and just and true as they are, but we do not believe the cause of humanity will be served by wiping the divorce laws off the statute books of this country.

Hon. ERNEST LAPOINTE (Minister of Justice): I feel it my duty to say why I am going to vote for the amendment of the hon. member for West York (Sir Henry Drayton). I do so not because I think divorce and remarriage can be accepted or recognized under any circumstances, but because I believe the amendment tends to a decrease of the present evil. In the first place, it will prevent collusion as it exists to-day in so many instances, and on the other hand it makes sure that at least one of the parties will never remarry while the other party to the original marriage contract is still living. I will vote for the amendment merely because it will, I hope, decrease the evil of divorce, and in order to alleviate the misgivings of the hon. member for West Toronto (Mr. Hocken) as to my conscientious feeling in the matter, I assure him I will vote against the third reading of the bill even with the amendment attached to it, because I am opposed to the whole institution of divorce.

Hon. T. A. CRERAR (Marquette): Mr. Speaker, while I did not hear the discussion this afternoon, I shall not detain the House more than a moment. I intend to vote against the amendment, and I shall briefly state my reasons for so doing. In the first place I think the hon. member for West York (Sir Henry Drayton) has followed a very unusual course in introducing this amendment on the third reading of the bill. The purpose of the bill was very clearly stated in the measure itself and I do suggest to the hon. member for West York and to all others in this House who may be inclined to support his amendment that the proper time to have introduced this amendment was on the second reading, at any rate in the committee of the whole House, when there could have been a fuller and freer and more intelligent discussion than is possible at this stage. If my hon. friend wishes to see his suggestion enacted into legislation—and I am free to confess, Sir, that there is some merit in it; I am inclined somewhat to agree with the sentiments uttered by the hon. Minister of Justice (Mr. Lapointe) in that respect—it will be quite within his right to introduce such legislation at another session of parliament. I agree entirely with the hon. member for St. John and Albert (Mr. MacLaren) that this amendment as introduced at this stage of the bill cannot receive the earnest and serious consideration that it should receive.

Mr. MEIGHEN: Does the hon. member not understand that if the amendment carries the House must again go into committee and all the consideration that ever could have been given can then be given?

Some hon. MEMBERS: No.

Mr. CRERAR: I do not so understand it.

Mr. VIEN: Yes, that is it.

Mr. MEIGHEN: It has to be recommitted.

Mr. McMASTER: I thought we had unanimous consent.

Mr. CRERAR: I have endeavoured very briefly to state the reasons why I shall vote against the amendment.

Mr. ANDERSON: May I ask the Minister of Justice (Mr. Lapointe) if the amendment as presented will prevent a person securing a divorce in Canada from remarrying in the United States?

Hon. JAMES MURDOCK (Minister of Labour): My understanding is that this amendment deals with a question broader than the original question dealt with in the bill proposed by the hon. member for West Calgary (Mr. Shaw), which bill was intended to remove from western women the disabilities under which they are now suffering and to place them on the same plane in the matter of securing divorce as their eastern sisters. The amendment of the hon. member for West York ignores entirely the question whether this inconsistency as between conditions respecting divorce in the west and in the east should any longer prevail, and proposes that the guilty one in case of divorce in any part of Canada shall not be permitted to remarry in Canada. It seems to me that if the amendment carries it would simply be conniving at illegitimacy or sending to the United States the guilty ones in divorce cases. It was stated to-day that some 1,300 Canadian mar-

riages were dissolved in the United States in one year. The amendment if adopted might thus raise the total of Canadian marriages annulled. Without in any way expressing my judgment upon the question involved in the amendment of the hon. member for West York, I shall certainly vote against that amendment in order to allow the House to pass upon the question that is before us in this bill, namely, whether western women should any longer suffer under this disability.

Mr. ANDREW McMASTER (Brome): Mr. Speaker, I wish very briefly to refer to some of the arguments advanced in support of the resolution moved—

Mr. BRETHEN: I rise to a point of order. Some few weeks ago I raised a question in the Private Bills committee that I believe is involved in this amendment. The matter was referred to the law clerk for a ruling. We have that ruling and we expect to-morrow to have it given to the Private Bills committee.

Mr. SPEAKER: The hon. member may not refer to what takes place in a committee until the report of that committee is tabled. On the third reading of a bill, any such amendment as the present one is in order. With respect to the remarks made by the hon. member for Marquette (Mr. Crerar) as to the amendment—

Mr. BRETHEN: Mr. Speaker—

Mr. SPEAKER: I have given my ruling in respect to the point raised by the hon. member (Mr. Brethen). I am now speaking of another matter. May says:

> That on the third reading of a bill, such amendments as have been already described in reference to a second reading may be proposed to the question for now reading the bill the third time.

At page 390 I read the following:

> It is also competent to a member who desires to place on record any special reasons for not agreeing to the second reading of a bill, to move, as an amendment to the question, a resolution declaratory of some principle adverse to, or differing from, the principles, policy, or provisions of the bill.

So the amendment was quite in order.

Mr. BRETHEN: My point of order is whether this can be considered here when we are considering it in the Private Bills committee.

Mr. SPEAKER: I have given my ruling. No hon. member can refer to a matter that has arisen in a committee until the report of that committee is tabled. There is nothing before the House from that committee on the question. My ruling is that there is no point of order.

Mr. ANDREW McMASTER (Brome): I am sorry to delay hon. members, but, after all, this is a matter of great importance which merits careful consideration. I would ask members to consider not the avowed object of the resolution proposed by the hon. member for West York (Sir Henry Drayton), but its probable effect. On the face of it, it appears quite right and fitting that the guilty party should not have the right to remarry. It looks like that at first blush, but when we come to examine the matter, it seems to me that we are driven to an entirely different conclusion.

I am going to ask members of the House to consider first the case of the man who has failed in his marital duties and who has been divorced on the ground of adultery. He is by this amendment condemned to live separate and apart from womankind for the rest of his life. Will he do so? As a rule men are somewhat older than the spouses they marry, and therefore he is likely to remain in the condition which I have indicated all his life. Now is that a wise provision? Will it prevent the man or will it encourage him to make illicit liaisons? Is not that what is likely to happen?

Then let me take this illustration. If we pass this legislation as proposed by the hon. member for West York, we immediately depart from what is the accepted practice and, I understand, the law in the British Isles and in different parts of the associated British commonwealths on this question. Are matters of this sort not likely to arise? A man some years ago, let us say, had been divorced, and properly divorced, from his wife on the ground of his infidelity. He comes to Canada. In Canada he remarries believing, incorrectly, that he had the right to do what he would have had the right to do if he had remained in England. He marries some innocent woman. Now under this legislation proposed by the hon. member for West York, that man by that infraction of our law will not only be punished as a criminal himself, but he will bring the worst disaster that can befall the innocent woman that he marries and any offspring which they may have in that second marriage. Is not that a thing likely to occur? We want to protect the home, oh yes, but are we going to protect the home by this legislation?

Mr. BOYS: Would not the questions put to him when seeking a license get over the difficulty raised by the hon. member?

Mr. McMASTER: They might. I know some parts of Canada where licenses are granted to any respectable person who comes in, practically as a matter of course, with little or no inquiry as to their right to marry. I would say this: If the man believed honestly that he had the right to be married, he would probably so state. I think there is real danger in that regard.

Mr. NEILL: Will the hon. member not consider the other and worse case of the divorced man who is remarried in England and then comes here and is prosecuted for bigamy?

Sir HENRY DRAYTON: He could not be.

Mr. NEILL: Yes, under the amendment as originally introduced, which contained the words, "in Canada or elsewhere."

Mr. DUFF: I think we had better have this discussion in camera.

Mr. McMASTER: Then there is the case of the woman who has been unfaithful. Perhaps she has been married to someone she did not love, and perhaps she has met someone that she did love. I am not excusing her, but such things have happened. Are you going to condemn her to a life of celibacy, or are you going to force her, if she has no economic equipment for this world, into perhaps the only way in which she could earn her livelihood? I am afraid that instead of being a proposition to defend the purity of the home and the family, the amendment of the hon. member for West York is more likely to encourage concubinage and immorality. The Minister of Justice has said this will prevent collusion. Why will it prevent collusion? It will only prevent collusion if people ask for a divorce because they had a desire to marry again. It is quite possible that they might wish to marry again. It may be possible that they are so sick of living together and that one has misbehaved so much that it is only right there should be a divorce, and I cannot see that collusion will be obviated by this resolution of the hon. member for West York.

The Minister of Justice says that he wishes to prevent the remarriage of the guilty party because, though that is only half a remedy, half a remedy is better than no remedy at all. I do not think it will conduce to morality or purity or to the sanctity of the home and the establishment of the family to have this resolution pass.

Then what confusion we will create in Canada between those who have been divorced up to this date and who have remarried, and those who are divorced after this time. There again there will be room for all sorts of confusion. I think on the whole that however much we may admire the reasons which led the hon. member for West York to introduce this legislation, taking humanity as it is, it would be wiser for us, and I say this with all respect to the member for Brandon (Mr. Forke), to think of that phrase of the founder of religion who said in regard to a sinful woman, "He that is without sin among you let him cast the first stone."

Mr. D. W. WARNER (Strathcona): It seems to me that every member of the House is already convinced regarding this matter. It is unfortunate that we had any amendments at all, in my opinion. All we want to do by the bill that we have before us is to give justice to those who are not now getting justice. I do not think we need have any amendments or further discussion. I think we could vote yes or no on this question now and settle the matter. We do not need to complicate it with any amendments. Justice is all we want and I would like to see the vote taken.

Mr. R. A. HOEY (Springfield): Mr. Speaker, I rise not to take part in the discussion, but to obtain from your Honour a ruling on the procedure that is to be followed. I understood when the House rose at six o'clock that the hon. member for West York (Sir Henry Drayton) had obtained the unanimous consent of the House to have this amendment attached to the bill without referring the bill back to the committee, but I notice that the preamble of the amendment, which I hold in my hand, would suggest that the bill, if the amendment is carried, will go back to the committee, and that is the point I would like your Honour to clear up.

Mr. SPEAKER: Before six o'clock I read the draft of the amendment which had been handed to me, but it lacked at the beginning the phraseology which is used generally with such amendments. If hon. gentlemen will remember I took the phraseology from the amendment just defeated and then read the draft handed me by the clerk. I now hold the amendment with the phraseology that I borrowed from the other amendment. It is attached to the draft embodying the principle of the amendment moved by the hon. member for West York. The amendment the hon. gentleman has in his hands now is the real amendment.

Sir HENRY DRAYTON: My recollection is entirely the same as yours, Sir, but my re-

collection also is that I objected to the preamble. I admitted it was perfectly in accordance with the rules, but I submitted that if we got the unanimous consent of the House this amendment could be considered as added to the bill without going back to committee. I understood we had the unanimous consent of the House to that course, and it was under those circumstances I submitted the amendment.

Mr. McMASTER: That is right.

Some hon. MEMBERS: Question.

Mr. SPEAKER: If the amendment were adopted the bill would have to be recommitted. That is the rule.

Mr. McMASTER: Do you rule, Sir, the bill will have to go back into committee? Because, I may say that my recollection is precisely the same as that of the hon. member for West York. It was on that understanding that unanimous consent was given to the introduction of the amendment.

Mr. SPEAKER: Just before six o'clock the hon. gentleman rose to move his amendment and asked the unanimous consent of the House to proceed with the expectation that a vote would be taken without any further debate. Am I right in that statement?

Some hon. MEMBERS: Yes.

Some hon. MEMBERS: No.

Mr. SPEAKER: I think I am right. I must rule in my own favour.

Mr. SHAW: I rise only for a moment to point out that I propose to vote against this amendment. I propose to vote against it for two specific reasons. First of all, if the amendment is carried the whole matter is referred back to committee of the Whole with the result that this bill will not—amended or unamended—receive the consideration of this House this session. That I think is abundantly clear. Secondly, I object to the amendment because it proposes that in the event of one party being found guilty of adultery, then automatically by operation of law that guilty party is prevented from re-marrying. Now, my suggestion this afternoon was that I would be prepared to leave to the sound discretion of a court, or leave to parliament, the question as to whether or not a person found guilty should be prevented from re-marrying. For these two reasons, Mr. Speaker, I propose to vote against the amendment.

Hon. CHARLES MARCIL (Bonaventure): I do not wish to give a silent vote on this matter. I am sorry that the hon member for Brome (Mr. McMaster), who is always very interesting but who conjured up all kinds of difficulties as to this proposed legislation, did not give an insight into the system which exists in the province of Quebec where he was brought up and lived and whose conditions he knows full well. Quebec to its credit has the lowest record of divorces of all the provinces of Canada, with the exception probably of Prince Edward Island. In that province we have a system of judicial separation, which is recognized under the British law and which exists, I think, in Ontario as well. The parties appeal to the court for one reason or another. They are separated and judicial alimony is provided for the wife and children. Then after the lapse of a few months better feeling prevails. They get back together, and they go on as they had originally started.

Mr. BOYS: Does my hon. friend understand that there is any system of judicial separation in Ontario?

Mr. MARCIL (Bonaventure): I understand so.

Mr. BOYS: I must dissent from that view; there is no such law in Ontario. Of course the parties themselves may enter into an agreement for a separation; but there is no practice in Ontario whereby a judicial separation is granted.

Mr. MARCIL (Bonaventure): I stand corrected. However, a system exists in the province of Quebec. In some years we have very few cases of the kind. When the parties do come before the court there is a ruling that the woman is entitled to so much alimony for herself and the children. At the end of a few months, perhaps even at the end of a few weeks, the parties get back together again and thereafter live in perfect harmoney. I am going to support the amendment because it tends to reduce the number of divorces, but I will vote against the third reading of the bill because it opens the door to granting divorces in greater number. I have been a consistent opponent of divorce from the very first day I entered this House. May I say en passant that some objection was taken that the hon. member for Lotbiniere (Mr. Vien) did not register a protest every time a divorce bill was passed. When I first entered the House twenty-five years ago divorce bills were always carried on division, and entries to that effect was made in the official minutes. We have never assented by our silence to the passing of divorce bills and I do not intend to do so to-night. As I say, I

will vote for the amendment because it tends to reduce the number of divorces, but I shall certainly vote against the third reading of the bill if I am given an opportunity.

Mr. T. W. CALDWELL (Victoria and Carleton): I had no intention of taking part in this debate until we found ourselves in the position in which we are in at the present time. For instance, when the House rose shortly after six o'clock I understood unanimous consent had been given that the hon. member for West York should move his amendment to the bill in the House itself, and that it should not be referred back to committee. With that understanding I meant to support the amendment. If, however, the effect of your ruling, Mr. Speaker, is that this bill must be referred back to committee I must vote against the amendment although I should like to vote for it. If by voting for the amendment the bill is to be referred back to committee it means that it will not receive the consideration of this House, and this unequal situation as between a man and a woman, in the western provinces especially will still continue. For that reason I do not feel like giving a silent vote on this question. I would support the amendment if the bill is to be considered by the House itself; but if the effect of the amendment is to kill the bill I shall vote against it.

Mr. H. A. FORTIER (Labelle) (Translation): Mr. Speaker, I have already on many occasions expressed my views, in the House, on matters of divorce. I am opposed to divorce because, among many reasons, it is but the toleration of evil which we must avoid as much as possbile. I have always protested, to the best of my ability, against all legislation bearing on divorce. When the hon. member for West Calgary (Mr. Shaw) moved, this afternoon, the third reading of his bill in connection with divorce, the hon. member for Lotbiniere (Mr. Vien) moved an amendment which was acclaimed by all members of this House who adhere to the Roman Catholic faith. This amendment laid down the principle that the matrimonial bond is never dissolved. Its purport was to make this bill conform with the law as it exists in the province of Quebec, by virtue of which the consorts, in a case of adultery, may separate without ever destroying the matrimonial tie or it ever being possible to destroy it. This amendment, I state, I gladly supported, and I am sorry that it was not adopted by the House.

The amendment moved by the hon. member for West York (Sir Henry Drayton) has not the same bearing as the one moved by the hon. member for Lotbiniere. In fact, it is proposed, by this amendment, after divorce being granted, that one of the parties—the party having committed adultery—will not be allowed to remarry; however, it is not stated that the other party will not have the right of remarrying. Could we then consider that the matrimonial bond is dissolved? It will be considered that it has not been dissolved for one of the parties: the one having committed adultery; however, in regard to the other, the amendment does not state that the party will not be allowed to remarry. In fact, as the latter is not forbidden to remarry, I gather that the same conditions will prevail as in the past, and it will therefore have this privilege. To this I cannot acquiesce and I, therefore, rise to protest against the principle that parliament might look upon favourably on legislation by virtue of which the matrimonial bond would be dissolved by divorce. The reasons given by the hon. Minister of Justice (Mr. Lapointe) and the hon. member for Bonaventure (Mr. Marcil) harmonize with my views. By placing myself on record as being opposed to all legislation based on the principle of the severance of the matrimonial bond, I think I can support the amendment, because it proposes to refer this legislation to a committee for further consideration, and thereby, I hope that it will not be possible to adopt such legislation in the course of the present session, and further, because by this amendment the number of divorces will be considerably restricted. For all the above reasons I shall vote in favour of the amendment, however reserving myself the right of voting against the principle of the bill, on the third reading.

In the course of this debate uncalled for remarks have been made against us. We, members of the Roman Catholic faith, are reproached for not protesting both by word and action when a bill of divorce is brought down in the House. The opposition of the Roman Catholic members of this House has generally always been understood, ever since I have the honour of occupying a seat here, and it is not to my knowledge that a Roman Catholic member has ever acquiesced in the principle of divorce. We have always been opposed, and such bills are passed with the restriction "on division".

Mr. J. L. STANSELL (East Elgin): Mr. Speaker, there is a good deal in this amendment that enlists my sympathy, but I think it involves too many issues to be decided in a hasty manner. There is no question that divorces are altogether too numerous in this

country; indeed, we are sometimes forced to the conclusion that many of them are secured through collusion between the principals; but until such time as we have an opportunity to consider all the aspects of divorce I feel I must oppose the amendment. We are dealing with human happiness, with human lives, and it is a question that should have our fullest consideration. The only question involved in the original motion is equality of the sexes. I cannot bring myself to believe that there should be one law for men and another for women in their marital relations, and therefore I shall support the bill.

Mr. O. R. GOULD (Assiniboia): Mr. Speaker, it seems to me that the merits of the amendment offered by the hon. member for West York (Sir Henry Drayton) are such that it deserves a place of its own on the order paper; certainly it deserves a longer time for discussion than is possible at this particular stage. The bill proposed by the hon. member for West Calgary (Mr. Shaw) is for the purpose of placing the women of western Canada on an equal basis with their sisters in eastern Canada. The House has discussed the question from time to time and given it considerable study, and the majority of hon. members are, I believe, anxious to declare that the purpose of this bill should be given effect to. I do not wish to disparage the merits of the amendment, but until our sisters in western Canada are placed on a footing of equality with their sisters of eastern Canada we of the west are going to protest. Whatever penalties should be imposed in the way specified by the amendment, and whatever the arguments for or against divorce, may well be debated later on, but for the present I think the House should confine itself to dealing with the merits of the main motion.

The House divided on the amendment (Sir Henry Drayton) which was negatived on the following division:

YEAS

Messrs:

Baldwin,
Baxter,
Beaubien,
Béland,
Benoit,
Bouchard,
Boucher,
Brethen,
Cannon,
Cardin,
Carmichael,
Carroll,
Casgrain,
Charters,
Déchène,
Delisle,
Denis (Joliette),
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Doucet,
Drayton (Sir Henry),
Duff,
Fafard,
Fiset (Sir Eugene),
Fontaine,
Fortier,
Fournier,
Gendron,
Gervais,
Gordon,
Graham,
Healy,
Kyte,
Lanctôt,
Lapierre,
Lapointe,
Lovett,
McGiverin,
McQuarrie,
Manion,
Marcil (Bonaventure),
Martell,
Mercier,
Michaud,
Motherwell,
Ouimet,
Parent,
Pelletier,
Pouliot,
Raymond,
Rhéaume,
Rinfret,
Roberge,
Robitaille,
Ross (Simcoe),
St. Père,
Savard,
Séguin,
Tobin,
Vien,
Woods.—63.

NAYS

Messrs:

Anderson,
Arthurs,
Bancroft,
Bird,
Black (Huron),
Black (Yukon),
Bowen,
Boys,
Brown,
Caldwell,
Campbell,
Church,
Clark,
Clifford,
Coote,
Crerar,
Davies,
Dickie,
Duncan,
Elliott (Dundas),
Elliott (Waterloo),
Euler,
Evans,
Fansher,
Findlay,
Forke,
Forrester,
Gardiner,
Good,
Gould,
Grimmer,
Halbert,
Hammell,
Hanna,
Hanson,
Harris,
Hocken,
Hodgins,
Hoey,
Hopkins,
Hubbs,
Humphrey,
Irvine,
Jelliff,
Jones,
Kelly,
Kellner,
Kennedy (Edmonton),
Kennedy (Port Arthur & Kenora),
King (Huron),
King (Kootenay),
Leader,
Lewis,
Logan,
Lovie,
Low,
Lucas,
MacLaren,
Macphail (Miss),
McBride,
McConica,
McDonald (Timiskaming),
McKay,
McKillop,
McMaster,
McTaggart,
Millar,
Milne,
Morrison,
Munro,
Murdock,
Neill,
Power,
Preston,
Pritchard,
Putnam,
Rankin,
Reed,
Ryckman,
Sales,
Senn,
Sexsmith,
Shaw,
Sheard,
Simpson,
Sinclair (Oxford),
Snowball,
Speakman,
Spence,
Spencer,
Stansell,
Steedsman,
Stevens,
Stewart (Argenteuil),
Stewart (Hamilton),
Stewart (Humboldt),
Stewart (Leeds),
Stirling,
Stork,
Sutherland,
Thurston,
Wallace,
Ward,
Warner,
Wilson,
Woodsworth.—106.

The House divided on the main motion (Mr. Shaw) which was agreed to on the following division:

YEAS

Messrs:

Anderson,
Arthurs,
Baldwin,
Bancroft,
Baxter,
Bird,
Black (Huron),
Black (Yukon),
Bowen,
Boys,
Brethen,
Brown,
Caldwell,
Campbell,
Church,
Clark,
Clifford,
Coote,
Crerar,
Davies,
Dickie,
Drayton (Sir Henry),
Duncan,
Elliott (Dundas),
Elliott (Waterloo),
Euler,
Evans,
Fansher,
Findlay,
Forke,
Forrester,
Gardiner,
Good,
Gordon,
Gould,
Grimmer,
Halbert,
Hammell,
Hanna,
Hanson,
Harris,
Hocken,
Hodgins,
Hoey,
Hopkins,
Humphrey,
Irvine,
Jelliff,
Jones,
Kelly,
Kellner,
Kennedy (Edmonton),
Kennedy (Port Arthur & Kenora),
King (Kootenay),
Leader,
LeSueur,
Lewis,
Logan,
Lovett,
Lovie,
Low,
Lucas,
MacLaren,
Macphail (Miss),
McBride,
McConica,
McDonald (Timiskaming),
McKillop,
McMaster,
McQuarrie,
McTaggart,
Martell,
Millar,
Milne,
Morrison,
Motherwell,
Munro,
Murdock,
Neill,
Preston,
Pritchard,
Putnam,
Rankin,
Reed,
Ross (Simcoe),
Ryckman,
Sales,
Senn,
Sexsmith,
Shaw,
Sheard,
Simpson,
Sinclair (Oxford),
Snowball,
Speakman,
Spence,
Spencer,
Stansell,
Steedsman,
Stevens,
Stewart (Argenteuil),
Stewart (Hamilton),
Stewart (Humboldt),
Stewart (Leeds),
Stirling,
Sutherland,
Thurston,
Wallace,
Ward,
Warner,
Wilson,
Woodsworth.—112.

NAYS

Messrs:

Beaubien,
Béland,
Benoit,
Binette,
Bouchard,
Boucher,
Bourassa,
Cannon,
Cardin,
Carmichael,
Carroll,
Casgrain,
Déchêne,
Delisle,
Denis (Joliette),
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Doucet,
Duff,
Ethier,
Fafard,
Fiset (Sir Eugene),
Fontaine,
Fortier,
Fournier,
Gendron,
Gervais,
Graham,
Healy,
Kyte,
Lanctôt,
Lapierre,
Lapointe,
Lavigueur,
McGiverin,
McIsaac,
Manion,
Marcil (Bonaventure),
Marcile (Bagot),
Mercier,
Michaud,
Ouimet,
Pelletier,
Parent,
Pouliot,
Power,
Raymond,
Rhéaume,
Rinfret,
Roberge,
Robichaud,
Robitaille,
St. Père,
Savard,
Séguin,
Stork,
Tobin,
Vien,
Woods.—61.

Main motion agreed to and bill read the third time.

Mr. SPEAKER: It has been moved by Mr. Shaw, seconded by Mr. Woodsworth, that the bill do now pass and that the title be as on the order paper.

Motion agreed to on division.

AGREEMENT WITH CITY OF OTTAWA

Hon. J. H. KING (Kootenay, Minister of Public Works) moved the second reading of Bill No. 172, to authorize an agreement between His Majesty the King and the corporation of the city of Ottawa.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On section 1—Agreement with city of Ottawa extended for five years.

Mr. STEVENS: I think we should have a brief statement from the minister regarding the agreement with the city.

Mr. KING (Kootenay): The bill provides that the government of Canada may pay a subsidy to the city of Ottawa. Agreements have been made from time to time, the last one having been entered into in 1920. At that time parliament voted for the payment of $75,000 annually for five years, but in 1924-25 the agreement was not renewed; payment for one year was however extended. Recently in consultation with the municipality we have decided to increase the subsidy to $100,000 for a period of five years.

Mr. CALDWELL: What sums does the government pay to the city of Ottawa?

Mr. KING (Kootenay): That information is all in Hansard at page 3758.

Mr. CALDWELL: I know it is, but unfortunately a number of us are obliged to attend committees while the House is in session and it is impossible for anyone to read the whole of Hansard as well as all the

reports of committees, besides being present at committee meetings, all at the same time.

Mr. KING (Kootenay): The following information has already been put on Hansard:

Among other expenditures which have been assumed by the government from time to time, there are the following: Cartier square; that dates back to the time when the government assumed the maintenance and upkeep of Cartier square for $9,510 a year. Then there is Major Hill park, which the government took over some years ago, and have maintained at an annual cost of $19,512.14; Wellington street and Plaza, which is maintained and repaired by the government at a cost of $12,710 per year; Laurier avenue bridge, which crosses the canal, and for which the government pays $1,002 per year for maintenance, lighting and repairs; Chaudiere slide bridge, which the government maintains at an annual cost of $1,951; that is a very old item. Then there is the maintenance of Union bridge at a cost of $500; Pretoria avenue bridge maintenance, $4,278. Bronson avenue bridge $955; Bank street bridge, towards which a subsidy of $80,000 was paid on which we pay interest at 5 per cent per annum, amounting to $4,000; the Interprovincial bridge, towards which a subsidy of $212,500 was granted at 5 per cent interest, amounting to $10,625 annually; St. Patrick street from Sussex to bridge, maintenance $4,285. Then there are certain amounts for lighting generally, in addition, making a total expenditure for all the items I have given of $70,000 odd.

In addition to the foregoing there are minor expenditures for lighting generally amounting to $1,011.40. Then there is a payment for water service at so much per gallon, $42,000. In addition the Ottawa Improvement Commission receive a grant of $150,000 per year. The total of these figures would be about $365,000 per year.

Mr. CALDWELL: Does that include this $100,000?

Mr. KING (Kootenay): Yes.

Mr. CALDWELL: What services does the city render the government for this $100,000?

Mr. KING (Kootenay): There is the policing of the city, fire service, sewage service, and so on. Government property in the city of Ottawa is not assessable for taxes. We pay this subsidy more for services rendered and we do not admit the liability to taxation.

Mr. CALDWELL: If the government proposes to pay taxes on salvaged soldier settlement lands I would have no great objection to the payment of this $100,000, otherwise I would protest against the increase in the grant to the city of Ottawa which is made in lieu of taxes. The government may not admit that, but that is practically the sum and substance of it. The minister has mentioned police services, but as I understand it, the Royal Canadian Mounted Police are on duty in Ottawa in connection with all the government buildings; in fact, you can hardly turn around without running up against one of them. I am not finding any fault with that, but it is their function to protect Dominion government property; they have no jurisdiction, I understand, over any other property, neither do the city police have jurisdiction over Dominion government buildings. As to the salvaged soldier settlement lands, I understand the government have never refused to pay taxes on them until the soldier settler leaves them, even though the soldier had made no payments on them; but as soon as these lands are rented to some other citizen, yielding more revenue even than when the soldier settler was on them, the government refuse to pay the taxes. I would like to know if the government propose to change their policy in regard to paying taxes on these lands that have been salvaged.

Mr. KING (Kootenay): This bill is to provide for the payment of a special subsidy to the city of Ottawa, the national capital, for services rendered to the government for the people of Canada through the facilities provided by the city. As to the matter of taxation of government property outside the city, in the various municipalities, that question might be raised, but it has always been understood that a grant might be made to the capital city that would not be considered in the smaller towns or other districts. As to the government paying taxes on soldier lands, I think that is a matter that might more appropriately be discussed on another occasion.

Mr. CALDWELL: I realize that the question of soldier settlement lands does not come under this vote, but I think we might ask for a declaration of policy on the part of the government in this regard.

The CHAIRMAN: It does not come under this minister's department.

Mr. CALDWELL: I know, but fortunately we have other ministers present to-night.

The CHAIRMAN: The discussion of soldier settlement lands is not relevant to this bill. That matter was inquired about and spoken to when the bill came up.

Mr. CALDWELL: I did not happen to be here on that occasion.

The CHAIRMAN: That does not necessarily mean that the whole debate has to be gone over a second time.

Mr. CALDWELL: I do not wish to transgress the rules or to impose on the committee in any way, but I do think that at this time

we should not increase this grant to the city of Ottawa, particularly in view of the other sums that are paid in this connection, which run well over a quarter of a million dollars. I fear the tendency is to think the government is possibly a little easy. We find increased votes in different directions where there is no actual necessity for them. I would again urge the government to keep their hands on the purse strings a little tighter. I regret to see this increased vote to the city of Ottawa, especially in view of the other services that need money but for which a large number of us are not pressing on account of the present situation. I could mention a number of public works that are required in my riding, but the minister knows the situation very well. I am not asking that money be spent on these public works, therefore I feel in a pretty strong position to urge the minister to cut this vote down to what it was last year.

Mr. McGIVERIN: I understood the hon. member to say he had no objection to the extra vote of $25,000 but that he wanted to ask something about soldier lands, which are not concerned in this vote. I may say that the city of Ottawa made out a very strong case for an increase of more than $25,000 in the annual grant.

Mr. CALDWELL: I have no doubt.

Mr. McGIVERIN: Yes, and rightly so. Take, for instance, the growth in the last five years in connection with the fire brigade and in connection with properties in the city held by the government and on which the government does not pay taxes. This is the capital city of Canada, and when it comes to improving the city from the point of view of its being the capital that is provided for, and properly so, by the vote to the Ottawa Improvement Commission. No attempt was made to have that increased. But as to this vote the city proved that they were practically out of pocket in connection with it. I have nothing to say about the soldier lands; my colleague who is in charge of that department may speak about it. But that has nothing whatever to do with this city, and undoubtedly a case was made out for an increase of much more than $25,000.

Mr. CALDWELL: Of course the hon. member would be remiss in his duty if he did not support this vote, and it is just possible that if I represented Ottawa I might do the same thing, though I really do not think I would. When the minister turned down a request for certain public works in my riding I said I had no fault to find if he would follow the same principle throughout the whole of his estimates. That was in connection with a work that was needed very badly, and several other works in that part of Canada are needed just as badly. I am not urging that they be gone on with at the present time, and it will not get me any votes to say what I am saying now, but it is not necessary that I should get votes in that way. If it is, I do not want to be here. I think there has been too much of this sort of thing, too much of members coming with delegations before this government and urging increased expenditure, when we should be cutting down our expenditure instead of increasing it. That is a point I wish to make. I am not blaming the government so much; I think members of this House are possibly more to blame than the government, and I think the people back home are more to blame than the members are. I have no hesitation in saying that. Unless we have the courage of our convictions and say what we really believe to be the facts, I believe we are remiss in our duty, and while, as I said before, this will not get me any votes back home, I do not think that it is necessary that I should get them in this way. I am in earnest in this matter. If this sort of thing is to go on, how can we expect members of this House to forego pushing claims when they find other members of the House doing the same thing, backed up by delegations. I was very pleased to see my hon. friend made a minister without portfolio in this government, because I think he is a good man and all that kind of thing, but I am afraid these things are costing us too much. If because a man is a member of a government he can come here and get an increased grant for his city, I say that is wrong in principle, and I hope the government will not grant this increase. I urge them to cut it down.

Section agreed to.

Bill reported, read the third time on division, and passed.

QUEBEC HARBOUR COMMISSIONERS

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the second reading of Bill No. 160, to provide for further advances to the Quebec Harbour Commissioners.

Motion agreed to, on division, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

Section 1 agreed to.

On section 2—$5,000,000 may be advanced to harbour commissioners for terminal facilities.

Mr. CALDWELL: I presume, of course, this bill will pass the House. In discussing the resolution a few days ago, I opposed this advance, not because I did not think the port of Quebec should be developed, but for the purpose of getting from the government a statement of their policy with regard to sending traffic through the port of Quebec. I think before this bill finally passes, the government should give us some assurance that they mean to have the freight rates so adjusted on the Transcontinental that traffic will come to the port of Quebec, and that the facilities to be provided there will be used. I think that is one of the most vital points ahead of us in this matter. While I realize that a discussion of freight rates cannot properly come under this bill, and I do not propose to discuss them here, I would like to have some assurance from the government that they are not going to build harbour facilities at Quebec, and then allow traffic to go by that port to Montreal.

Mr. CARDIN: My hon. friend will easily realize that we cannot state definitely what the position and intentions of the government are with respect to this matter. As I said the other day when the resolution was before the committee, that we have decided to make a loan to the port of Quebec of such a large amount for extending the present facilities and developing new ones, is evidence that the government proposes to do everything possible to help develop traffic to the port of Quebec.

Mr. LEWIS: I do not wish altogether to oppose this vote, but at the same time it does seem to me rather poor policy to spend this amount of money at the present time. I do not think that the port of Quebec, according to the statistics which were given to us, is calling for any further development at present. Why, the total revenue that comes to the port of Quebec at the present time would not pay even the interest on the present indebtedness of the port to this government, and yet we are loaning them another $5,000,000. It does seem to me poor business to continue to develop our ports more rapidly than the commerce and traffic of the country warrants. I can readily understand that if the railway running to Quebec is going to be utilized, the port of Quebec might need further development, but we have no assurance from the government that that is going to be done. It would seem to me that before Quebec harbour is further developed, we should see some sign of greater traffic coming, and at least some sign that the port is going to be used. I see no need of spending a further $5,000,000 on a harbour that is not already being utilized to its fullest capacity, and one that cannot even pay the interest on its own indebtedness. To spend a further $5,000,000 there simply means that the port is going to run further in the hole. I for one am opposed to any further expenditure that is not going to bring in any further revenue.

Mr. COOTE: When the resolution preceding this bill was being discussed, I wished to ask the minister just what works it was proposed to build with this $5,000,000. I did not succeed in putting that question, and I would like the minister to be good enough to advise the House now of all the work that he proposes to do with this $5,000,000.

Mr. CARDIN: The first item of the proposed expenditure will be dredging, which will cost $1,500,000; the building of a new wharf, $2,800,000; reconstruction of tracks on this new wharf, $125,000, estimated electric light, $3,000; roadways, $65,000; riprap, $70,000; water mains for the water supply on the wharf, $150,000.

Mr. COOTE: How much of this construction is contemplated this year?

Mr. CARDIN: It is very hard to say, but the execution of the whole programme will certainly take five years.

Mr. CALDWELL: What will the whole programme cost?

Mr. CARDIN: Five million dollars.

Mr. CALDWELL: Is it estimated that this $5,000,000 will complete the whole five year programme?

Mr. CARDIN: Yes.

Mr. CALDWELL: Then we are voting $5,000,000 this year?

Mr. LAPOINTE: No.

Mr. CALDWELL: Will the minister just explain why he is bringing in a bill to loan $5,000,000?

Mr. CARDIN: We are asking permission to loan the harbour commission the sum of $5,000,000 to cover a period of years, and we will advance the money as the work is proceeded with. We are not going to loan the $5,000,000 this year. Advances will be made as the work proceeds, and every advance will

have to be approved by the Governor in Council.

Mr. CALDWELL: Then I understand that this money will be advanced in order to carry the work on?

Mr. CARDIN: Advances will be made as the work proceeds.

Mr. CALDWELL: I understood the minister to say that the money would be loaned on the completion and approval of the work.

Mr. PARENT: Where will the harbour commission get the money to proceed with the work?

Mr. CALDWELL: That is what I was wondering. I understood the minister to say that, but I do not think he meant it. I should like the minister to assure us that there will be a sufficient amount of traffic to go through the port of Quebec to warrant this expenditure. Because, as I said the other night, the fact that formerly all this traffic has been centred at Montreal meant that a large portion of it went to build up American ports instead of our own ports. If, however, this traffic is centred at Quebec, then when navigation closes on the St. Lawrence that portion of it that is heading for Quebec will find its way to our eastern seaports. But while it is centred at Montreal its natural outlet is Portland and the other American ports to the south of us. I want to see the port of Quebec developed; and the burden of my criticism the other night was that that was not being done, that Quebec has not been used in the past. Therefore the Maritime province ports have not been getting any traffic handled on the lines of the Canadian National railway. Because when freight lands at Montreal it is not logical to haul it from that city to St. John or Halifax; the logical outlet is Portland or other United States ports. On the other hand, our Maritime province ports are nearer the wheat fields of the west by the Transcontinental than Portland is via Montreal. For that reason if a proper rate is quoted on the Transcontinental this traffic could and should go through the port of Quebec. There are other reasons why the Transcontinental should be used. That railway can handle more traffic per ton mile than any other road in Canada; it has the best grades possible to haul the biggest train loads and to handle freight cheaper. I never could understand why the rate was maintained against Quebec at the very high standard at which it is at the present time; it not only starves Quebec but also the Maritime province ports. I think the delegation which came up this year to interview the government must have impressed upon them the fact that while the adoption of this suggestion will not solve the problems of the Maritime provinces it will help to do so. I think the government will be well advised to keep this matter in mind. I think the House will not hesitate to spend money in developing the port of Quebec if the proper policy is carried out in regard to routing traffic through Quebec and Maritime province ports.

Mr. SPENCER: How much of this vote of $5,000,000 will be spent on elevator construction?

Mr. CARDIN: I cannot say, from the estimates we have at the present moment, that any amount is going to be spent on elevators.

Mr. CALDWELL: What is the elevator capacity at Quebec at the present time?

Mr. CARDIN: Two million bushels.

Mr. CALDWELL: And what amount was put through?

Mr. CARDIN: Five million bushels last year.

Mr. CALDWELL: But for the whole year?

Mr. CARDIN: Five million bushels.

Mr. LEWIS: I should like to ask the minister why, under the expenditure proposed in connection with this loan, there should be an outlay of a million and a half for dredging. Provision is already being made for dredging in Quebec harbour under another vote. Why is the harbour commission borrowing money from this government for dredging when the Public Works department is already doing dredging in the St. Lawrence and the various harbours?

Mr. CARDIN: The dredging which is being done in Quebec, or in the vicinity of the harbour is in the St. Lawrence channel. In this case the dredging will be done near the shore where the wharves will be constructed. There is a certain depth of water there already but that depth will not be sufficient when the wharves are constructed. In order to be able to dock the bigger vessels at these wharves it will be necessary to provide a greater depth of water.

Mr. LEWIS: I notice in several instances that where there is wharf construction the Department of Public Works is also doing dredging. Why cannot the work in this particular case be done under the same department? The government say this $5,000,000 is a loan but as far as any possible return to

the government is concerned it is practically a gift.

Mr. CARDIN: If the dredging were to be done by the Department of Public Works it would be a gift to the port of Quebec. But we are loaning this money to the harbour commission because we expect that if proper facilities are provided we will get some return. We have been unable to bring about that desirable result up to the present time because the facilities there were not sufficient. We have been told by persons who are familiar with the local conditions that the present facilities at the port of Quebec are not sufficient to take care of a greater development in the traffic. If we insisted upon getting a better rate in order to have a larger shipment of grain through the port of Quebec the existing facilities are not adequate to take care of a great increase in the traffic. Therefore we are making this advance to the harbour commission in order to secure additional facilities, and we sincerely hope that we will get some return from the money which will be invested there.

Mr. CALDWELL: Could the minister tell us what amount of grain the present facilities at Quebec could handle yearly if used to their full capacity?

Mr. CARDIN: I am told it is forty million bushels.

Mr. CALDWELL: And the amount of grain handled last year was only five million bushels?

Mr. CARDIN: Yes.

Mr. CALDWELL: That in itself, to my mind, justifies the criticism that has been levelled at this vote—that the present facilities are not used. With such a capacity as the minister has stated only five million bushels of grain went through Quebec last year. I think if the government contemplate this development they should have inaugurated the policy of having traffic go through the port of Quebec two years ago. We have a railway capable of handling the grain, we have the grain itself, we had congestion at the other ports, we had a strike by the vessel owners on the Great Lakes. We have all kinds of difficulty in getting this grain east, and yet the government owned the Transcontinental with its excellent grades, and there is an elevator at Quebec capable of handling forty million bushels. I think the government are to blame in not having gone at this matter in the right way. To my mind they are putting the cart before the horse in the present case. If thirty million bushels had gone through these elevators last year I think there would have been very little or no criticism of this vote to-night. But I tell the government this: If we come back next year and find that only five million bushels of grain have gone through the port of Quebec I think possibly it will be pretty hard to get anything further for the development of that port for some time to come. I think it is a short-sighted policy on the government's part. Personally I want to see Quebec developed because it will give us traffic in the case of the eastern ports which we are very insistent on having.

Mr. HOEY: How much money can the government still advance to the harbour commission at the port of Quebec, altogether apart from this legislation? I understand they can advance a considerable sum. While I am on my feet I must raise my voice in protest against this legislation. I remember last year this government, with the consent of the House, guaranteed certain loans to the city of Montreal for the construction of a bridge. Since that time the board of trade of the city met and protested against the expenditure as being at least premature. I am not at all persuaded but what the board of trade of the city of Quebec will meet after we pass this legislation and carry a similar resolution condemning the government for its extravagance. I should like to get figures from the minister. It seems to me that if there is still a considerable sum that the government can advance, they would be well advised to do so and hold this legislation over for at least another year.

Mr. LAPOINTE: May I say, to remove the fear of my hon. friend, that the board of trade of Quebec, through its president, to-day sent me a wire urging that this bill should be passed.

Mr. HOEY: They may change their mind when they see the amount, $5,000,000.

Mr. LAPOINTE: My friend is wrong as to that.

Mr. CARDIN: I have received a wire congratulating me on the introduction of this bill.

Mr. CALDWELL: I have no doubt.

Mr. LAPOINTE: I agree with the hon member for Victoria and Carleton (Mr. Caldwell) that the freight rate is too high. I repeat to-night what I said the other day, that I will certainly do my best to obtain a better rate between Fort William or Armstrong and Quebec to meet the views of those who built the National Transcontinental railway. But my hon. friend must understand

that it is not merely a question of grain transportation. As I said the other day, there are misconceptions of what is going on at the port of Quebec, and even to-night it was stated that the facilities there are not used to their capacity. I have here a plan of the harbour, prepared by the harbour commissioners, showing the piers and wharves with the names of the steamship companies which have rented berths, and there is no more vacant space for any other companies requiring accommodation.

Mr. CALDWELL: Might I ask how many applications for space have been refused on account of there not being any more space?

Mr. LAPOINTE: I cannot say, but I can tell my friend that during the last week-end there have never been so many vessels in the port throughout its history. I am sorry my friend from Saltcoats (Mr. Sales) is not in his seat. The other night he not only made a statement which was absurdly wrong, but he induced even his neighbour to repeat the same thing—that the dry dock was not being used at all. My hon. friend from Saltcoats said he found an inch and a half of dust on the machinery there, and the dry dock, he was informed, had not been used at all. I do not think my friend wants to be unfair, I do not think that he or any other member has any bitterness against Quebec because it is Quebec—

Mr. CALDWELL: Hear, hear.

Mr. LAPOINTE:—but his statement was so misleading that I took the trouble to ask the Department of Public Works for figures showing what ships had used the dry dock last year and the year before. I have those figures before me. Last year in the larger dry dock 39 vessels were repaired, and the year before 30; in the smaller dry dock 21 were repaired in 1924 and 20 in 1925.

Mr. CALDWELL: What was the date of the first vessel's going in? I think possibly the member for Saltcoats and the minister are both right. At the time the former was there it is quite likely that no ships had been in that spring; he was there in May.

Mr. LAPOINTE: My friend went there before navigation started.

Mr CALDWELL: May not the statement of the member for Saltcoats have been correct at that time?

Mr LAPOINTE: Will not my friend admit that the statement was unfair, that the dry dock was not used at all and there was dust all over the machinery?

[Mr. Lapointe.]

Mr. CALDWELL: I do not think the member for Saltcoats said the dry dock had never been used, but he did say there was dust on the machinery at the time he was there. I know the minister wants to be fair to the member for Saltcoats who is not here.

Mr. SALES: He is here.

Mr LAPOINTE: I resented the statement at the time, I still resent it, and I know that when the hon. member for Saltcoats knows the facts he will withdraw it.

Mr. SALES: Mr. Chairman, I explained at the time that that was the information that had been given to me, and that I did not know whether it was correct or not. Navigation was then open, and there was a vessel in the private dock under repair I was told that there never had been a ship in the big dry dock, and when giving that statement to the House I said that if my information was wrong I should not be held accountable for it.

Mr. LAPOINTE: There was a ship there, but my friend did not see it.

Mr. SALES: I accept the minister's figures. I do not want to be unfair to Quebec; on the contrary I want to be fair, and I am sure the Quebec members know that. Therefore, the minister need not labour the point.

Mr. LAPOINTE: But so many misstatements were made the other night—

Mr. SALES: On misinformation.

Mr LAPOINTE:—that I could not understand the reason, for I do not think we deserve to be so treated by our friends.

Mr. HOEY: You must have poor officials down there.

Mr. LAPOINTE: As I say, I have here figures from the Department of Public Works, and you can see that big ships, such as the Melita and the Minnedosa—

Mr. SALES: I accept your statement, sir.

Mr. LAPOINTE: That is all right, and I thank the hon. member for it. Now, my friends from Brandon (Mr. Forke) and from Assiniboia (Mr. Gould) referred to Mr. J. G. Scott. They have great faith in him, and I share their confidence. They said that Mr Scott, although he advocated a reduction in the rates, never spoke about larger facilities being needed in the port of Quebec. Well, I knew Mr. Scott did say in his report that larger facilities were needed and were a necessary part of the scheme. He has sent me a copy of the letter he addressed to my friend

the leader of the Progressive party (Mr. Forke) commenting upon his speech and calling his attention to the fact that it was a necessary thing to do if what he (Mr. Scott) advocates is going to be put into execution.

Mr. CALDWELL: I think we all admit that, "if it is going to be put into execution." but that 'if" is what we want to remove.

Mr. LAPOINTE: I will help my friend to remove it.

Mr. CALDWELL: The minister has not made much progress yet.

Mr. LAPOINTE: Mr. Scott in his letter to the leader of the Progressive party said:

> There is storage on the Great Lakes and the prairies for about 200 million bushels; at our seaport, for less than 20 millions. Buffalo and New York have much larger export storage than we, and I am told Canadian money is being used to increase the storage at Buffalo; and United States millers have lately put up four mills at or near Buffalo to grind our wheat in transit, in bond, to be exported from New York in competition with the product of Canadian flour mills, which had gained precedence in the export markets.
>
> It is for all these reasons that I recommended in my report (page 14) that the advice of the Quebec Board of Trade of 1913 and of the Senate in 1922 (see pages four and seven) should be followed, and that 10 million bushels storage should be put up at each of the ports of Quebec, Halifax and St. John (Montreal, Vancouver and Prince Rupert are being provided for) without further delay.
>
> It would be useless to build elevator storage unless there are steamship docks adjacent for the vessels carrying the grain. Hence the necessity of the $5,000,000 vote for the Quebec harbour which is under discussion. And the want is urgent. Every year that you put it off, the more strongly you direct the trade to continue in the existing channels to United States seaports.

Now, the strong argument, and my friend from Swift Current (Mr. Lewis) used it again to-night, is that the Quebec Harbour Commission has not paid its interest. True; and we explained the reason the other day. But why should we always be met with that contention: you are not paying your interest. How many ports have been built in this country which are paying interest? I admit the port of Montreal is paying now and the port of Vancouver is paying on advances which were made to it by the government during the period of construction. It is very easy to pay under such circumstances, but Vancouver is a big port which is developing and which will be one of the great ports of the world. What about Halifax? The country has spent over $17,000,000 at Halifax. Is anybody asking for interest from the port of Halifax when a vote is being requested for any other public works or extensions there? No. At St. John we have spent $18,967,000, or about $20,000,000 in round figures. Is anybody asking that interest should be paid at St. John before anything further is done there?

Mr. SPENCER: Is interest not being paid at St. John?

Mr. LAPOINTE: No interest is being asked from St. John. The port was built by the government without any loan, any advances.

Mr. CALDWELL: St. John is not under a harbour commission—

Mr. LAPOINTE: No.

Mr. CALDWELL: —and the government own the docks and the works they have constructed.

Mr. LAPOINTE: Yes, but conditions are the same. We are not complaining that we are not getting revenue there on the money spent.

Mr. HOEY: Was the dry dock at St. John built by the Department of Public Works?

Mr. LAPOINTE: I do not know.

An hon. MEMBER: There was a subsidy act.

Mr. LAPOINTE: There was a subsidy act. This does not include the dry dock. The dry dock was built by the Department of Public Works and it is not under a harbour commission at all.

Mr. COOTE: Has the minister comparative figures showing the traffic through the ports of Halifax, St. John and Quebec?

Mr. LAPOINTE: I have not the figures at hand. If there is more traffic at St. John and Halifax, as I suppose my hon. friend wants to suggest—

Mr. COOTE: I have not the information. It would be interesting to have it.

Mr. LAPOINTE: —there would be more reason why they should make some return to the government, instead of Quebec being asked to return every cent it has received. In Toronto we have paid $9,964,057.13, or in round figures $10,000,000, and the big city of Toronto has not been asked to pay anything to the government by way of interest or return on the investment that has been made there, if it can be dignified by the name of an investment. It is not fair to meet the request of Quebec for larger harbour facilities by the contention: You have not paid interest. It was impossible to pay interest under the circumstances; but the advances are made by way of a loan, and I have the same hope as the Minister of Marine and Fisheries (Mr. Cardin) that, if the port of Quebec is given

the opportunity it should have and if the railways will give a reasonable rate from the western prairies to the port of Quebec, some day this should be considered as really an investment. I know my hon. friends want to be fair, but the other night some statements were made that were far outside the mark and I am pleased to have been given an opportunity of correcting them.

Mr. COOTE: What are the receipts from the dry dock at Quebec?

Mr. LAPOINTE: The Champlain dry dock during the year ended March 31, 1925, collected in dockage dues from vessels that entered the dock $38,356. During the year ended March 31, 1924, the dockage dues collected amounted to $59,881.11. During the year ended March 31, 1925, in the other dry dock the dues amounted to $22,376, and in 1924, to $19,706.

Mr. COOTE: Has the minister the cost of the drydocks at Quebec?

Mr. LAPOINTE: No. Those were built by the Department of Public Works.

Mr. ROSS (Kingston): Do I understand the minister to say that Canadian capital is being provided to secure storage facilities at Buffalo?

Mr. LAPOINTE: No. I merely read a letter addressed by Mr. J. G. Scott to the hon. member for Brandon (Mr. Forke).

Mr. LUCAS: Are any vessels held up at Quebec now for lack of docking facilities there?

Mr. LAPOINTE: I could not say whether there is one to-night, but I know all the facilities are in use.

Mr. GARDINER: What are the rentals received from the wharves at Quebec?

Mr. LAPOINTE: I think that appears in the report of the harbour commission. I have not the information here. It was given the other night in the debate on the resolution.

Mr. BEAUBIEN: In any remarks that I am going to make on this bill to-night, I want it to be thoroughly understood that my sentiments are with the province of Quebec in more ways than one. I was born in that wonderful province; I have a good many relations living in that province to-day, and my sympathies are with it. But until I am convinced that this vote is absolutely necessary and essential, I am going to vote against it, not because I am antagonistic to Quebec, because, as I said before, my sympathies are with that province. I do not agree with the hon. member for Mackenzie (Mr. Campbell) that we are ever going to ship grain to Quebec in any quantity. The hon. member said the other night that if we got a reduction in rates on the National railways, we would ship a great deal of grain to Quebec. I do not agree with him for these reasons. If we have an ordinary crop in western Canada to-day, it takes all that our railways can do to transport our products to Fort William and Port Arthur. If we are going to ship grain to Quebec—and I would like to see that just as much as any other hon. member and to see our Canadian ports being used—we are going to add between one thousand and eleven hundred miles of railway haul for our grain. What will that mean? It will mean an additional expenditure in providing rolling stock, and at least 80 per cent of the cars that will haul that grain to Quebec will have to go back west empty. That is happening to-day at Fort William and Port Arthur. Hundreds of cars are going back empty into western Canada that have been loaded with grain going into Port Arthur. I agree that the idea which Sir Wilfrid Laurier had in mind when the National Transcontinental was built was to ship grain direct to Quebec and make use of that port to a considerable extent. But the days of Sir Wilfrid Laurier have passed and we have the port of Vancouver at the present time with its possibilities. When Sir Wilfrid undertook to build the Transcontinental he did not foresee the future of the port of Vancouver nor the development of the Panama canal traffic. I say in all sincerity that you will never be able to haul grain in any large quantity to the port of Quebec or to Halifax or St. John; the grain will go where there are the cheapest facilities, and one half cent a bushel of a difference will divert the whole grain traffic to the more favourable ports.

I am quite sympathetic with the Minister of Justice (Mr. Lapointe); and as a matter of fact there is not an hon. member in this part of the House who does not sympathize with him in this matter. I know that those of us in this group who have expressed views adverse to this expenditure have been charged with being antagonistic to Quebec. But I hope that neither the Minister of Justice nor the Minister of Marine (Mr. Cardin) will think that of me; I hope they will not entertain any such opinion of any member in this group. I must say however that expenditures at the present time, whether they

be in the harbour of Quebec, in the constituency which I have the honour to represent, or in any other part of Canada, are not justified unless they can be shown to be absolutely necessary.

An hon. MEMBER: You are wrong.

Mr. BEAUBIEN: I may be, but at any rate my motives are sincere.

Mr. CANNON: You have a perfect right to be wrong.

Mr. BEAUBIEN: Well, we are not always right.

Mr. CANNON: I was merely suggesting that the hon. member has the privilege of being wrong if he wishes, just as every other hon. member has.

Mr. BEAUBIEN: And the hon. member does not fail to take advantage of the same privilege himself. However, I am sure that the Minister of Justice and his colleague, as well as the members generally representing the province of Quebec, will agree on reflection that there is nothing in what I have said to indicate any antagonism to Quebec on my part. Indeed, my sympathies from childhood have always been towards that part of the country.

Mr. POWER: We forgive you, for you know not what you do.

Mr. COOTE: I think that the hon. member (Mr. Beaubien) is absolutely right in what he says regarding the probability of western grain going in any large quantity to the port of Quebec in the fall of the year. It certainly is not feasible to haul grain that distance; it means hauling it something like 1,000 miles east of Fort William. We often have to wait now a month or two to get a car to load our wheat, and if the train that carries our wheat to Fort William must make the trip all the way to the port of Quebec, I should like to know how much longer we shall have to wait for the car to get back west and take on another load of grain to transport it to the shipping point. After the port of Quebec freezes up, surely it would not be expected that we should have sufficient elevator space built there to enable the railway to haul grain and store it at Quebec all winter. Any grain hauled after that port freezes will be taken to St. John or Halifax. Let us be honest about this thing and not delude ourselves into thinking that we can build up a big grain trade through the port of Quebec. When the minister was telling us what was to be done with the $5,000,000 he did not mention grain elevators; the amount is nearly all to be spent in the building of an immense new dock and in dredging the approach to that dock. Can the minister tell us what kind of traffic is to be handled at the port of Quebec which will necessitate this immense new wharf? If the traffic will not consist of grain, what tonnage will be handled to justify this immense expenditure?

Mr. CARDIN: We expect that the facilities to be provided will take care of new traffic in general merchandise. We are not contemplating the shipment of grain alone but the shipment of goods of all kinds. My hon. friend has said that he is not convinced of the necessity of this advance; and the hon. member for Provencher (Mr. Beaubien) particularly has declared that he would vote for the measure if he were sure that it was necessary to provide these new facilities. What proof would be adequate to satisfy the soul of my hon. friend?

Mr. BEAUBIEN: The proof that would satisfy me would have to be more convincing than the opinion of the shipping conference or shipping federation, who tell us that the rates on the Atlantic ocean are not too high. It would have to be stronger proof than that.

Mr. CARDIN: Would my hon. friend set aside the evidence offered by those who are supposed to know something about this matter?

Mr. BEAUBIEN: Has not the government itself ignored that evidence in appointing a committee to enquire into ocean rates?

Mr. CARDIN: The question before the House should be decided on its own merits. Now, we have the fact established here that the parties most interested, the shipping federation, have approved of this undertaking; they have declared that it is necessary and have asked the Prime Minister (Mr. Mackenzie King) to accede to the request of the harbour commission. And we have had the representations of the harbour commissioners of Quebec presented by men upon whom we can rely. These men are supposed to know something about the development of the port of Quebec; and apart from what they have represented, we have also the approval of the authorities of the Canadian Pacific Railway as well as that of the president of the Canadian National Railways. It is therefore very well established that all parties interested in the project, all the persons who are supposed to be familiar with the facts, are favourably disposed to it; and if we are to seek advice on the subject, is it not reasonable to go to

those who ought to be in a position to inform us? Why should we brush aside their views and take the opinion of those who are not so familiar with shipping matters?

Mr. LEADER: I understand we have facilities for the handling of cattle at Quebec. What are they capable of handling in a year?

Mr. POWER: Almost as much as you will give us.

Mr. LEADER: I will take the answer given by the hon. member (Mr. Power).

Mr. CARDIN: Unfortunately I am not in a position to give very definite information, but I may say that the facilities at present can take care of ten times the traffic we now have.

Mr. LEADER: That is the point I wish to make; we have already at the port of Quebec facilities for handling a great many more cattle without further expenditures. I have listened to this debate both to-night and the other evening, and I have been silent, but I intend to vote against these proposals, and not because I am antagonistic to Quebec, as I have repeatedly said from this corner of the House; I think we have all proved at least that we have a warm feeling for the port of Quebec. We feel that Montreal has hogged the puck to the detriment of the port of Quebec and also to the detriment of eastern ports of the Maritime provinces. We would like to see the port of Quebec developed, and to see more business go through it. I find that in 1924 there were transported through the port of Quebec exactly 1,507 head of cattle, and that at the same time 44,494 went through the port of Montreal. When the government propose to spend $5,000,000 to build facilities at the port of Quebec they should show us that more business can be done there. We are sympathetic to the port of Quebec. We have the Transcontinental railway and we would like to patronize it; we are capable of shipping the cattle and of furnishing the wheat. We also have the elevator space. Last year five million bushels were handled at the Quebec elevator and grain men tell me that the facilities there are capable af handling three, four or five times as many bushels of grain—someone suggests forty million bushels. So why in the name of economy should we spend $5,000,000 to extend facilities at the port of Quebec, which, I understand,—and someone will correct me if I am wrong—are not used to their full capacity at present? I protest against this expenditure, and if it comes to a vote I will vote against it.

[Mr. Cardin.]

Mr. HOEY: The minister did not answer my last question, as to how much the government can still advance to the harbour commissioners of Quebec apart from this legislation. I wonder if he would also give us some indication as to how much of this proposed loan or guaranteed loan the commissioners intend to spend during the coming year. If we could get this information we might have an intelligent grasp of just what is at stake.

Mr. CARDIN: The amount of money which can be advanced to the Quebec Harbour Commissioners under existing legislation is about $100,000. As to my hon. friend's second question, the harbour commissioners will not be in a position to spend more than $1,000,000 during the first year.

Mr. EVANS: Mr. Chairman—

Some hon. MEMBERS: Carried.

Mr. EVANS: Hon. gentleman are in too much of a hurry. Notwithstanding all that has been said, I am still unconvinced that this large grant to the port of Quebec harbour is needed. It has not been shown that the present capacity is used to its full extent. The Minister of Justice (Mr. Lapointe) need not say that bitterness is shown on this side of the House as against Quebec, because since the Progressive party have come here in considerable numbers we have pleaded for the port of Quebec. I have in mind speeches made by the hon. member for Portage la Prairie (Mr. Leader) and also the member for Mackenzie (Mr. Campbell) on behalf of the port of Quebec, asking that it get its share. But what has been the influence that has kept Quebec from getting its full share of traffic in the years gone by? Can any gentleman on that side say that that influence has been removed and that Quebec is going to get its full share after this? Notwithstanding the fact that, according to the minister himself, over $21,000,000 have been invested in the port of Quebec by the Dominion, on which is owing some $8,077,000, we are asked to vote an additional $5,000,000 for a harbour that is not at present used to its full capacity. It has been said that the largest boats that go up the St. Lawrence cannot dock there, but I know for a fact that the Regina docks there without any trouble.

Mr. POWER: Will the hon. gentleman pardon me if I simply add that in 1923 the Regina was unable to take a full cargo at Montreal and had to take a full cargo at Quebec? I have a long list of vessels which in the summer of 1923 were in the same posi-

tion, and I am willing to read them to my hon. friend.

Mr. EVANS: I was on the Regina myself when she docked there. Years ago the Transcontinental was built with the idea of developing the port of Quebec, but that line is not used as it was intended to be used. In fact, not only Quebec but other ports in eastern Canada are not used to the full extent of their capacity because we are not doing first things first. The greatest grain company on the North American continent have found it necessary to build warehouses and terminal elevators at Buffalo simply because they can get the grain carried to Buffalo at a rate 1¼ or 1½ cents a bushel cheaper than that charged by the lake carriers conveying the same cargoes to Georgian bay ports. I say we are not doing first things first, and until this is done and trade goes in its natural channels I shall feel bound to oppose this grant. The government have simply played for three years now with a very serious situation regarding lake shipping, and we have no better prospect for the next year than we have had during the last three. Our grain is going through foreign ports while we are spending money to develop our own to no purpose. There will be no greater shipping to Quebec next year than there is this year, and if with her present facilities she can handle three, four or five times what she is handling now, while other ports of the country need development and while we are talking of the necessity of cutting down expenditure, I cannot help thinking this vote is unnecessary and that it is my duty to add my word here to oppose it.

Mr. GARDINER: What tonnage of general cargo passed through the port of Quebec last year?

Mr. CARDIN: It was 594,000 tons.

Mr. GARDINER: Can the minister give any information as to the source of that tonnage?

Mr. CARDIN: It was grain, coal, fuel oil and general cargo.

Mr. GARDINER: What was the tonnage of coal and grain respectively?

Mr. CARDIN: Coal, 246,227 tons; grain, 157,975 tons; general cargo, 100,000 tons. This does not include lumber and timber.

Mr. GARDINER: Can the minister say where this general cargo originated?

Mr. CARDIN: I am afraid not.

Mr. GARDINER: Was the general cargo both out and in?

Mr. CARDIN: Yes.

Mr. GARDINER: I would like to say a word by way of protest against this vote. As far as I can see there seems to be very little possibility of the port of Quebec developing until such time as we get a freight rate to that port that will draw traffic there. I know for a fact that when the grain passes out of the hands of the farmers of western Canada, and that is when it reaches Fort William, they have nothing at all to say about its destination. This House may be well assured that those who are shipping grain to Great Britain and other European ports will ship their grain by the cheapest route. We have heard, for instance, that the Saskatchewan Elevator Company have recently built a large elevator at Buffalo. They have built it there simply because it is the probable route over which most of the grain will go, to the detriment of the Georgian bay ports. It seems to me that if this government or any other government that may come into existence in the future desires to make the Canadian ports what they should be, they will first of all have to take into consideration how best to get the traffic that should pass through our ports to those ports at the lowest possible cost. I believe the prime duty of the government at the present time is an adjustment of railway rates, for instance, to the port of Quebec, and until the government take hold of this question in such a way that they will bring results, I for one am opposed to the expending of more money on this post. When the government can show us that they are in earnest, that they will see to it that the tonnage that goes out of Canada and the tonnage that comes into Canada is going to be carried through our own ports at rates equal to what it can be carried to other ports in the United States, I shall be quite willing to support the government in any expenditure to make our Canadian ports what they should be.

Mr. GOULD: The figures of 1,507 head of cattle were given as the number exported from the port of Quebec. It seems to me that the farmers of Quebec themselves must be very negligent in that they have failed to raise more steers for export from their own ports, if they think this expenditure is necessary.

Mr. PARENT: They are more engaged in dairying than in the raising of cattle.

Mr. GOULD: I have to admire the generosity of this government in providing further facilities for the port of Quebec for the benefit of the hinterland west of the Great Lakes, whose representatives are opposed to this expenditure. If the people of Quebec really require the development of their port, surely they would have been creating more traffic for it; but judging from that standpoint, they apparently do not want this development.

It has been stated here to-night that for good business reasons western grain cannot go to the port of Quebec simply because to provide the necessary rolling stock to carry it there would plunge the road almost irretrievably into debt, irrespective of what the rates might be. I have information by letter from the west from farmers living along the international boundary that there is a considerable sentiment backwards and forwards between the farmers out there in favour of reciprocity with Canada. We in Canada have on our statute books at the present time an offer of reciprocity to the United States. I might also state that in the morning press I saw the view expressed that the day was not far distant when the United States would again approach Canada with the object of bringing about reciprocity or an exchange of natural products. When that day comes the Fordney-McCumber tariff of 40 cents a bushel on wheat is going to be taken off. I believe the United States government now realize the folly of that imposition on our export wheat, and also on our cattle. That in itself is going to militate against the business that might otherwise go to Quebec harbour and our far eastern ports.

12 m.

Mr. POWER: Does the hon. member want to persuade us to vote against reciprocity?

Mr. GOULD: I do not think it is possible to make a speech that would persuade the hon. member to vote against reciprocity. I have never voted against it myself. I have always supported that principle, and I would vote for it to-night or at any other time when the opportunity was presented.

Mr. POWER: But if my hon. friend shows us that it would be better for us not to support reciprocity, we shall find it extremely difficult to persuade our people at home that they should support it.

Mr. GOULD: I am trying to show what would result from a freer interchange of trade between the two countries. It might benefit us all. I believe that there are scores of members on the government side of the House who are opposed from a business point of view to spending $5,000,000 in Quebec harbour.

[Mr. Parent.]

Mr. CANNON: Look on your own side.

Mr. GOULD: I quite anticipate what the vote will be, but let us be frank and admit that votes are not always given on the merits of the question.

Mr. CANNON: Oh, yes, on this side.

Mr. GOULD: I am going to refer for a moment to the remarks made by the Minister of Justice. Surely he does not charge the members in this corner of the House with being antagonistic to the people of Quebec or to Quebec harbour. I would not like to have that inference drawn because I am taking the stand I do simply from a business standpoint. I do not think any evidence has been adduced up to the present time which warrants this huge expenditure. Almost one might be tempted to exclaim, "God save Canada!" if such things are going to happen, with the government proposing to spend $5,000,000 with our economic conditions are as they are to-day, on a harbour that is not now being used to the utmost of its facilities, and with not much prospect for many years to come of the facilities already available being used to their capacity. This proposal comes from a government that professes economy, that preaches economy from the house-tops. The proposal itself is very good evidence to the contrary, if I am any judge. I shall not have to take the consequences, however; it will not be my funeral. The government must take the responsibility.

Mr. ARCHAMBAULT: Quebec is the cradle of Canada.

Mr. GOULD: If the government want to provide these facilities at the port of Quebec, they should provide greater traffic for the port and not depend upon the western provinces to do it. We are not asking for this. We are opposed to the principle, because we do not think that we can supply the Motherland through the port of Quebec and leave any profits to ourselves. I am sure that when the members of the government will look at this question from a purely business point of view, they will realize it is an unwarranted expenditure.

Mr. HOEY: A few minutes ago the minister intimated that further developments at Quebec were endorsed by the president of the Canadian National Railways. I should like to ask him when that endorsement was made, and what was the nature of it. Can he read anything to the House that will convince us that the president of the Canadian National Railways justifies this development or believes it is necessary at the present time?

Mr. CARDIN: I have not the letter of the president of the Canadian National Railways before me. It was written last year.

Mr. HOEY: What was the nature of the document?

Mr. CARDIN: It was in approval of the proposal that is presently submitted to the House, and which had been submitted to him previously by the Quebec harbour commissioners.

Mr. HOEY: Did he intimate in that document that rates would be readjusted to justify us in believing that the volume of grain moving to Quebec would be greater in the future?

Mr. CARDIN: He did not refer to rates in the letter.

Mr. GRAHAM: I am not going to make any speech on this question, but I am going to vote for this loan. I think that with the exception of the members from Quebec themselves I know more about the Quebec harbour development than any man in this House. I was identified with it many years ago, and we provided for a great development along these waters—that was the original plan—from Cap Rouge down to the city of Quebec. Property was purchased at that time to carry out harbour development right along the front where there was deep water. That was changed, but I am not going to discuss it at the present time. I want to ask my hon. friend from Medicine Hat (Mr. Gardiner) a question. He surprised me if I got the thing right. He mentioned some company or some organization that was building an elevator at Buffalo. Now, will my hon. friend repeat the name of that organization?

Mr. GARDINER: The Saskatchewan Co-operative Elevator Company Limited.

Mr. PARENT: That is sending Canadian trade through Canadian ports.

Mr. GRAHAM: That is all I want to know.

Mr. SALES: The Saskatchewan Co-operative Elevator Company Limited seems to be a rather interesting subject just now. I have been connected with that company. I happen to have been a director on the board for nine years, and I was on the board when the decision to build that elevator was arrived at. The Minister of Railways and Canals seems rather surprised. He would be more surprised if I said the action of this government had a very large influence in determining the building of that elevator at Buffalo. I can assure, him, that it had.

Mr. GRAHAM: In what way?

Mr. SALES: I will explain to the Minister of Railways in what way. We discussed the question of lake freight rates at very great length in this House. It was pointed out that grain was carried by Canadian boats to Buffalo, a three day journey, at less money than it was carried to Georgian Bay ports which is a two day journey. I asked the then Minister of Trade and Commerce, not the present minister, if when there was half a cent a bushel discrimination in favour of Buffalo he would say that the coasting laws should be automatically suspended? His answer was "Why should I?" I went from here to Regina to a meeting of the Saskatchewan Co-operative Elevator board. We were rather in favour of building at a Georgian bay port and had been considering it. The question of Buffalo came up. My mind was made up from the moment I got the minister's answer. Not only did we have the advantage of a lower rate to Buffalo carrying our grain farther on its way, but I want to say that Buffalo is the most advantageous point on this continent for grain to be at. It can be shipped from there to Montreal; it can be shipped to New York, to Philadelphia, to Boston, to many of these ports that are open all the year round. I tell this House that this business of carrying grain to Quebec is a myth. Not only is there a long railway haul, but the farmers are unable to collect from the railway company any of the shortages which are incurred by reason of that long haul. So what do they do? They get their wheat into a place where they can get their weight as quickly as possible; that is Fort William. As has been pointed out, the wheat has left the farmer's hands at this time and is in the hands of the exporters. When you go to talk business with these men you have to talk business. As we have been told, grain is like water; it will run down hill, and all the talk, and all the sentiment, and all the patriotism will not make it run up hill. Grain will follow the line of least resistance in spite of all preaching to the contrary. Some hon. members say "patriotism". Is my company any more unpatriotic than the lake shipping companies? Are we any more unpatriotic than a member of this government who will not put into effect the suspension of the coasting laws? Let me point out one other reason why grain will never go to Quebec which my hon. friends apparently do not know. When navigation is closing it is the practice at the head of the lakes to load every available boat for winter storage, which can be got on these boats at about half the price that it can be got for in elevators. Every available boat that can be

loaded is sent down to Buffalo for the last journey. There is an ice breaker in Buffalo harbour, and the boats can be moved to the transfer houses and unloaded, the grain loaded in cars, and in twenty-four hours shipped to New York.

Mr. VIEN: Will my hon. friend tell me the total amount of grain which is stored in these bottoms?

Mr. SALES: I have not the figures here but I can assure my hon. friend it is a considerable quantity.

Mr. VIEN: Is it not a fact that it is a trifling amount as compared with the volume that is being transported?

Mr. SALES: The quantity is more than the port of Quebec handles altogether.

Mr. PARENT: That is why we want facilities for handling more.

Mr. SALES: No man owning an elevator that was only filled to twice its capacity would ever dream of enlarging the capacity of that elevator. In the case of the Buffalo elevator we will consider that if it is not filled ten times in the course of the year it will be doing poor business.

Mr. VIEN: My hon. friend was speaking of winter storage. He cannot avail himself of the advantage more than once in the winter. Once the boats are loaded and jammed in ice they do not reload them.

Mr. SALES: That is only one advantage which is possessed at Buffalo and nowhere else. The ice is not so thick but that the ice breakers can keep the harbour open. These boats can be moved up in the winter time and unloaded and the grain delivered to ports that are open all the year.

Mr. CALDWELL: At any time in the winter?

Mr. SALES: At any time in the winter. There is this further advantage in favour of grain at the head of the lakes. Quebec has only one market, and that is the market overseas. At the head of the lakes grain can go by three or four different routes.

I am not going to speak at much greater length. I spoke on this question a few nights ago when I said I could not support this vote. Like the Minister of Railways I am going to vote, and I shall vote against the proposition if a vote is called. My reasons for taking that stand are these: All these things would be very nice if we could afford them, if we had the money. In conducting my own business if I cannot afford a thing I have to go without it. It is time this government adopted the same method. On our political platforms we preach economy to the country. We also preach it in this House; and economy will be advocated when we go to the country on every political platform. But the question I want to know is when are we going to begin to practise economy. A few nights ago it was stated that we could not afford to reconsider the question of revaluing soldier settlement lands. We could not afford it. One hon. gentleman opposite also made the statement that we on this side were asking for everything. I want to tell the House that I represent one of the oldest constituencies in the west. We have been paying taxes all these years and we have not got a brick or a stick or anything in the shape of a government building, in the whole of that constituency. I should like to know what my people would say to me on my return home if I voted for this $5,000,000, when no valid reason has been given for the vote. I cannot do it. The Minister of Justice accused me of being rather unfair. I have looked at my words, and I am going to give him credit for thinking that he does not want to be unfair to me. I said:

> We were told that there had not been a ship in that drydock. If my information was wrong, I cannot help it.
>
> Mr. Lapointe: What time of the year was that?
>
> Mr. Sales: I believe in June—May.
>
> Mr. Lapointe: I think it was in May.
>
> Mr. Sales: Perhaps it was. But that was the information we received, and we did not know any better. If it was wrong, I am glad to be corrected.

Mr. LAPOINTE: My friend said he saw dust. He was not told there was dust; he saw it.

Mr. SALES: I did.

Mr. BELAND: There is always dust in those shops.

Mr. SALES: I did not need to put my spectacles on to see it either. The dust was in the workshop. The private dock was being used. The government dock was empty. But I do not want to discuss that point any further. I think I have proved to my hon. friend that I did not want to be unfair, and that I did not say anything that was unfair.

Mr. VIEN: Will not my hon. friend admit that a dry-dock is like a hospital?—when it is not being used it is because shipping is in a healthy condition.

Mr. HOEY: That is just like saying they do not need any dredging.

Mr. SALES: My hon. friend's imagination, of course, is very fertile. I expect there is not enough business in Quebec for the shipping to get out of order; therefore the dust probably would accumulate. But we will let that matter pass.

Mr. VIEN: But my hon. friend will not contend that the St. Lawrence route should not be equipped with a dry-dock capable of receiving the largest steamers that ply in those waters?

Mr. SALES: Not at all. Let me say this, Mr. Chairman, and I am through: the moment Quebec can show me that her facilities are being used to their capacity, or anywhere near their capacity, I will be the first man in this House to vote for the development of the port.

Mr. LEADER: Mr. Chairman, the minister took exception to the figures I submitted earlier in the debate when I stated that 1,507 head of cattle went through the port of Quebec last year. I received the figures from the Live Stock Commissioner and I have no doubt they are authentic. I sent them over to the minister, and he was kind enough to give me the figures for 1923—5,046. Now, I submit in all seriousness that the members who are agitating for this vote had better try and secure the lost tonnage that should have gone through the port last year. Remember, 5,046 cattle went through the port in 1923 and only 1,507 in 1924, and yet those members ask for an additional $5,000,000 to develop the facilities at that port.

Mr. POWER: May I tell my hon. friend that already 1,500 head of cattle have gone through the port this season, so we are following his advice.

Mr. LEADER: I am glad to hear that.

Mr. BELAND: Will that change my hon. friend's attitude?

Mr. LEADER: Not at all, Mr. Chairman. One of the members for Quebec stated a few moments ago that the present facilities at Quebec are capable of handling all the cattle we can send them.

Mr. POWER: For the time being.

Mr. LEADER: As a cattle man engaged in the business, I hope to see the day when 40,000 or 50,000 head will be rolling through the port of Quebec.

Section agreed to: Yeas, 79; Nays, 44.

Sections 3 to 7 inclusive agreed to on division.

Bill reported.

On motion of Mr. Mackenzie King, the House adjourned at 12.20 a.m. (Friday).

Friday, June 5, 1925.

The House met at three o'clock.

MISCELLANEOUS PRIVATE BILLS

Hon. H. B. McGIVERIN (Ottawa) presented the seventh report of the select standing committee on Miscellaneous Private Bills.

PRINTING OF PARLIAMENT

Hon. CHARLES MARCIL (Bonaventure) presented the fourth report of the Joint Committee on the Printing of Parliament.

PRIVILEGES AND ELECTIONS

CHANGE IN MEMBERSHIP

Right Hon. W. L. MACKENZIE KING (Prime Minister): I beg to move that the name of Mr. Black (Yukon) be substituted for that of Mr. Guthrie as a member of the standing committee on Privileges and Elections.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 173, from the Senate, for the relief of Samuel James Connor.—Mr. Church.

Bill No. 174, from the Senate, to change the name of the "The Dominion Waman's Christian Temperance Union" to "Canadian Woman's Christian Temperance Union."—Mr. Raymond.

COLONEL J. L. RALSTON

On the Orders of the Day:

Hon. H. S. BELAND (Minister of Soldiers Civil Re-establishment): Yesterday on reaching a question asked by the hon. member for Centre Winnipeg (Mr. Woodsworth) I directed his attention to sessional paper No. 158 for the information sought. I desire in this connection to correct myself and to say that the information will be found in the Official Report of the Debates of the 19th of March of the present session, in answer to a question asked by the junior member for Halifax (Mr. Black).

Mr. J. S. WOODSWORTH (Centre Winnipeg): May I ask whether the minister would state that there were no payments made for other services in connection with returned men?

Mr. BELAND: I would state that.

HOME BANK

On the Orders of the Day:

Mr. G. G. COOTE (Macleod): I should like to ask the Prime Minister when we may expect the legislation providing for the reimbursement of the Home Bank depositors to be taken up? I may remind him that on May 14, he said in answer to the hon. member for West Toronto (Mr. Hocken):

> I think probably within another fortnight we shall be able to bring in the bill to which he has just referred.

That was over three weeks ago.

Mr. MACKENZIE KING: It was the intention of the Acting Minister of Finance to have his resolution discussed yesterday or to-day, but he has been obliged to be absent. However, he intends, I think, to bring on the resolution on Monday, and to introduce the bill to be founded on it immediately after the resolution carries.

RAILWAY FREIGHT RATES

On the Orders of the Day:

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition) We have now reached the end of another week, we are well on in the month of June, the temperature has gone up to close to 100—if I can judge without a thermometer—and we are still without the principal legislation of this session, at least what was heralded as the chief legislation, the railway rates legislation. I want to ask the government when it can definitely promise this legislation, and also to lodge my protest against parliament being asked at this time of the year and at this period of the session to take up a matter of such consequence.

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I am giving notice of the bill this afternoon.

Mr. MEIGHEN: Notice?

Mr. GRAHAM: Yes.

Mr. MEIGHEN: The time for giving notice of a bill is past.

Mr. GRAHAM The bill will be on the order paper on Monday.

YUKON GOVERNMENT OFFICIALS—INCOME TAX EXEMPTION

On the Orders of the Day:

Mr. GEORGE BLACK (Yukon): I do not wish to be too persistent, but as long ago as the 9th, March a very simple return was ordered by the House, and on 20th May the Acting Minister of Finance (Mr. Robb) and on 27th May the Acting Minister of Customs and Excise (Mr. Cardin) said the return would be brought down within a few days. The return has reference to exemption from income tax in the case of officials of Yukon territory. I am sure the return could be brought down promptly if the minister concerned chooses to give the necessary time to it.

Mr. MACKENZIE KING: I apologize on behalf of the minister for the return not being brought down, and will ask him to see that the matter is attended to.

CIVIL SERVICE ACT, 1918, AMENDMENT

EMPLOYEES—REVENUE AND CITY POST OFFICES

Hon. CHARLES MURPHY (Postmaster General) moved the second reading of Bill No. 168, to amend the Civil Service Act, 1918, respecting certain post office employees.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

On subsection (a), section 1—Post office employees brought under the act.

Mr. MEIGHEN: I am sure we all welcome this legislation if for no other purpose than to introduce the Postmaster General (Mr. Murphy) to the House of Commons for this session. He differs very strikingly from his colleague the Minister of Agriculture (Mr. Motherwell) in that he is not pestering the House with chicken-feed legislation every other day. Perhaps though he will signalize the occasion by one of his usual illuminating explanations of this bill.

Mr. MURPHY: I thank my right hon. friend for his introduction, but if he had been in his seat the other day when this matter came up on resolution he would have heard the explanation. It is very simple. There was a section in the Post Office Act, which was in force up till 1918, providing the method for changing revenue post offices into city post offices. In that year the act was consolidated, and, for some reason I have not been able to ascertain but apparently through oversight, this particular section was omitted. The present bill is to re-enact that section, and the explanatory note says:

> The object of this bill is to enable the Civil Service Commission to appoint experienced employees of postmasters of offices paid by percentage on revenue, when the status of such offices is changed to the staff basis. It will, for all practical purposes, be a re-enactment of

section twelve of chapter eight of the Statutes of 1910, but modified in such a way as to make the procedure regarding appointments to the civil service, conform to the procedure at present in effect, that is, on certificate of the Civil Service Commission.

Mr. STEVENS: There is an amalgamated body of civil servants which comprises a branch consisting of postal workers, and I know the minister will agree that generally speaking they seem to be very reasonable men. I have found them very reasonable at any rate, and I think they are interested in this legislation. Would the Postmaster General mind stating if any conference has been held in regard to this matter with representatives of this body?

Mr. MURPHY: I may say that conferences have been held with representatives of that body, and my information is that there is no objection whatever to the proposed legislation.

Subsection (a) agreed to.

On subsection (b)—Salary.

Mr. HANSON: When this matter was before the House on the introduction of the resolution on which the present bill is founded, the minister was kind enough to give an explanation with respect to bringing in so-called revenue offices. At that time I, and a number of other members also, pointed out to him the desirability of having certain of the larger revenue offices included in the category known as staff offices. I should like to ask him now if the government intend to take any action on the line indicated, or do they propose to adhere to the limitation which he then stated?—that is in the case of towns of a population of 10,000 or over and a minimum revenue of $35,000 or over. I feel that the limitation is too high and that there should be a reduction; also that in certain of the large towns where the revenues are large the employees of those post offices should be brought in under the Civil Service Act.

Mr. MURPHY: I should have said when I was on my feet before, that the observations made by the hon. gentleman a few days ago were brought to the attention of the officials, and they said the procedure was as my hon. friend suggested it ought to be; that attention was paid to revenue rather than to population, and that such would be the procedure in future under this amendment.

Bill reported.

SUPPLY

MARINE AND FISHERIES

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

Fisheries—building fishways and clearing rivers, $30,000.

Mr. MANION: How much was spent last year?

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): Spent last year—$7,690.

Mr. MANION: In view of that fact, why does the minister want $30,000 this year?

Mr. CARDIN: It is quite impossible to foretell what the expenses will be, because this item provides for the removing of obstructions to fish ascending rivers and streams to their spawning areas, and the building of fishways in dams across such rivers and streams. Particularly in British Columbia rivers, log jams are continually forming along those rivers and often become so complete that the ascending fish are unable to get beyond. Also natural obstructions are sometimes encountered in streams and rivers. In 1923-24 a sum of $20,316 was spent for this purpose.

Mr. MANION: Why does the minister say "particularly in British Columbia"?

Mr. CARDIN: Conditions in that province, on account of the mountains, are more difficult than in other provinces.

Mr. MANION: Is there any money spent in any other province, or is it all spent in British Columbia?

Mr. CARDIN: The department is spending money in all the other provinces; this item covers the whole country.

Mr. STEVENS: Is not the reason why so much expenditure is necessary in British Columbia the fact that the salmon runs up the various rivers, and it is necessary, in order to preserve that tremendous industry, that the salmon shall get to their spawning ground?

Mr. CARDIN: Exactly.

Mr. HANSON: With reference to the new fishway and dam at Maysville on the Nashwaak river: some two or three years ago a large dam was built by the Nashwaak Pulp and Paper Company at this point, and a fishway was installed, which for some wholly unaccountable reason was put in the wrong place, so that when the water went down the foot of the fishway was out of the water below, and the salmon, which formerly used

that river in very large numbers, and which would again use it if there were an adequate fishway, were unable to get through. Has a new fishway been installed, at whose expense, and is it now functioning properly?

Mr. CARDIN: A new concrete fishway was built to replace the former one. The department has paid one-half of the cost, the total being $513.

Mr. HANSON: Who paid the cost of the original fishway?

Mr. CARDIN: The company.

Mr. HANSON: Why should not the company pay all the cost of the new fishway? I understand they were very insistent on the location of the old fishway, which proved to be an error, and I see no reason why the company should not pay all the cost of the new one, which is not so excessive.

Mr. CARDIN: I am informed that the act provides that when the fishway has to be replaced the department is to pay half of the cost.

Mr. HANSON: It is a matter of the statute.

Mr. CARDIN: Yes.

Mr. HANSON: Is the new fishway functioning properly? It is a very important matter.

Mr. CARDIN: The department will be able to ascertain that during the coming season.

Mr. HANSON: When was the new fishway installed?

Mr. CARDIN: It was completed last fall, but, I am told, too late to find out if it would operate properly.

Mr. FORKE: It may seem rather a small matter, but I wish to mention the state of affairs that exists on the small streams in the prairie provinces. The Canadian Pacific Railway and the Canadian National Railway have built dams across the streams. The fishways are put out and the fish cannot get through them whenever the water gets a little low. I brought the matter up during two sessions, and the reply was that the fishways were built according to instructions. It seems rather strange. These fishways may be built according to regulations, but the fish do not seem to understand it, because they cannot get up the fishways.

Mr. STEVENS: They should be instructed.

Mr. FORKE: It seems to be a small thing, but you must take into consideration conditions on the prairies, where the game fish, more particularly down in the southern parts, are very rare in the stream. There are lots of pike. To the people who are in the habit of catching salmon and other game fish pike seem rather a poor affair, but then they are very much prized in the prairie provinces, and I know that hundreds of thousands of them are destroyed at the foot of the fishways. I hope the minister will look into the situation at Pipestone, and the White Mud River. We have two fishways on the Pipestone, one on the Canadian National and one on the Canadian Pacific, and every year when the fish begin to run they die by the thousands. It is a very serious matter for people living along the banks of the stream.

Mr. CARDIN: I have a note that repairs were made to fishways in the dams at Gladstone and Westbourne. Both were inspected at the time when fish were ascending and the latter found to be effective.

Mr. FORKE: This is on the Pipestone. It is a very important stream.

Mr. MEIGHEN: That is at White Mud River.

Mr. HANSON: In reference to the item of clearing of rivers, how much was spent in the province of New Brunswick last year, what rivers were cleared, and what methods were adopted? How was the work done? Was it done by day's work under the department, or let out by contract?

Mr. CARDIN: I have a note here which reads:

New Brunswick, construction of fishways, Marysville fishway, York county, $513.13.

I am informed there was no difficulty in New Brunswick. The money was spent for the building of fishways, and there was no obstruction.

Mr. HANSON: The minister means the officers of the department did not look for any obstruction. Under this heading of clearing of rivers it has been customary to take out the logs and snags in the river St. John below Fredericton, when there is navigation. For many years this work was performed by a company operating on the river. Last year I was informed, this work had been performed by the department with the crew and necessary boats. I think that was a very poor policy to adopt, because it involved certain capital expenditure, and the boats of the department could not be used elsewhere. That

sort of equipment could not be used for anything else. It may have been two years ago that I mentioned the matter.

I should like to point out to the minister that in the portion of the river below Fredericton, called the Oromocto shoals, which is silted in every year in my memory, and which have not been dredged since the war, there are numerous snags and sunken logs, and this constitutes a menace to navigation, and in the months of July and August there is need for this work to go on. I think the minister should give instructions to have the work examined by engineers of the department. I believe the river is under an engineer of the Public Works dpartment. I am not at all sure if it is under the minister's department. Personally, I do not see why the question of clearing rivers should not be under the Public Works department instead of under the Marine and Fisheries; but that is immaterial so long as I have assurance that some attention will be given by the administration to the situation. Every year there are more or less sunken logs on the shoal parts of the St. John river. These logs become water-logged; they sink and, as a rule, they are a danger to navigation of small steamers that ply upon the river. It is necessary that something be done. Has the department a report made last year as to the condition of the river, or was the matter looked into at all.

Mr. CARDIN: My information is that this work would come under the Public Works department. My department is only looking after small rivers or non-navigable waters. The great work of clearing navigable waters is under the control of the Public Works department.

Mr. MacLAREN: I take this opportunity of urging upon the department the importance of care and oversight of the fishways and of clearing the rivers. I have on several occasions drawn the attention of the department to a very considerable number of rivers which suffer materially from obstructions. I rather gather from what the minister said that in New Brunswick no considerable number of rivers had been drawn to his attention as regards obstructions. Acute observers, men familiar with localities, assure me that the propagation, more especially of salmon, is greatly hindered by obstructions in a large number of rivers. The files of his department will show, I would think, probably ten or twelve rivers, given specifically by name, in which those conditions obtain. From what information I have been able to gather, I think the department is inclined to deal with this matter more especially this year, so that I believe the difficulties in some of the streams will be met. Necessarily there must be some relationship between hatcheries and mechanical obstructions in streams, and it is necessary to deal with both of those. But without the experience and knowledge of an expert, I believe a proportionate expenditure and care should lean in the direction of removal of obstructions in rivers rather than towards hatcheries, because it is the natural propagation that we must more particularly look after. It is my firm conviction that in any case in New Brunswick if the fish have a fair opportunity of going up the streams and ordinary protective care is carried out, the need of hatcheries will be greatly lessened. I can assure the minister that at the present time it is the opinion of sportsmen and men who are familiar with the area, that the great loss of fish is due to obstructions in the streams. I feel confident the names of many of these rivers are now in the department and I think the department is disposed to attend to the matter. But, speaking as a general proposition, I believe the number of fish depends more especially on the opportunity to get up a river to spawn rather than on the artificial method of hatcheries.

Mr. BLACK (Halifax): What rivers in Nova Scotia have been dealt with in regard to obstructions?

Mr. CARDIN: Removal of obstructions in Nova Scotia has taken place on the Salmon river—Porter stream, Halifax county; Meadows brook, Cape Breton county; Beaverdam brook, Queen's county; Curry's brook, Cape Breton county; Grass Cove pond, Victoria county; Ferguson's brook, Cape Breton county; St. Joseph de Moine, Inverness county; Murphy's lake, King's county; Black brook, Cape Breton county. Fishways were constructed on the Mersey river, Queen's county, Potanoc river, Queen's county; Grand river, Richmond County; Mushamush river, Lunenburg county; River Phillip, Lunenburg county; East river, Lunenburg county; Pictaux river, Annapolis county.

Mr. BLACK (Halifax): I am glad, indeed, to hear such a comprehensive list of rivers that have been dealt with, and I trust that others will be attended to during the coming season. In my experience, I can name places where the spawning beds have been partically destroyed by the accumulation of logs, roots and rubbish. It is a well known fact that salmon in particular do not frequent the rivers in which those conditions exist.

As so much attention has been paid to the natural breeding of fish, it is important that all these pools and gravel beds should be kept free of rubbish so that the fish may spawn in those parts of the rivers. Whilst the department has apparently made efforts—I do not think I can say strenuous efforts—to carry out the protective system in order to guard the rivers sufficiently, I think it has fallen very far short of its duty in that respect. I know that a great deal of poaching and other illegal work is going on in the rivers of Nova Scotia. Occasionally arrests have been made, but I am not able to recall that any convictions have been brought about. There are places where, under the eyes of the guardians, wrongdoing is constantly being carried out and, in my judgment and I think in the judgment of most of those who in former years used to frequent the rivers of Nova Scotia for sport, salmon fishing will soon be a thing of the past. The rivers are getting into such a condition that it is not worth the sportsman's while to visit them. Some of our best streams, such as the Gold and Tangier rivers and others I could name, are not to-day visited by those who are seeking sport in the hope of being in any degree successful. I would call the minister's attention particularly to this question of protection and ask him whether some more vigorous policy could not be pursued than that which has so far been in force.

Mr. HANSON: The minister is still following the old, wornout practice of appointing political guardians; for that is what they are in New Brunswick. The guardians there are the local heelers who are appointed without regard to any consideration of fitness; so long as they can paddle a canoe they are evidently considered fit to be guardians. This government is only following what has been the practice for generations; but it is a wornout practice. The very fact that these men are political appointees robs them of any power they might have. A guardian to be successful must be fearless and courageous, and he cannot be either fearless or courageous if he has to think of the voters. So far as the St. John river is concerned, there are altogether too few guardians, notwithstanding that this is the largest river in New Brunswick, where the propagation of the bay of Fundy salmon takes place. On a stretch of seventy-five miles between York and Sunbury I doubt whether there are more than three or four guardians altogether. These men cannot possibly prevent poaching, and they are not the right type to do it when they are appointed.

[Mr. Black (Halifax).]

Mr. CARROLL: I do not know very much about the rivers on the mainland of Nova Scotia, but I do know something about the best salmon fishing river in all the Maritime provinces; I refer to the Margaree. My hon. friend (Mr. Doucet) knows the Margaree very well; he was born in that vicinity. In the last eight years or so there has been an annual increase in the number of sportsmen who go to the Margaree, and I have myself visited that stream quite often, it being in my native home, although I do not represent that county. I go up the river every Saturday and have a very enjoyable time fishing; I do not fish on Sunday. Last year six new bungalows were built along the river to take care of the increasing tourist traffic and they were inadequate to provide the needed accommodation. Some three weeks ago I happened to be down there on a visit and I discovered that this year the bungalow accommodation had been increased to ten new houses. The river is well taken care of. We have in that part of the country what is known as the Cape Breton Fishing and Sports Association and in nine cases out of ten the members of this body are non-partisan; the association comprises both Liberals and Conservatives with, I presume, a few Labour and Farmer representatives thrown in. And very often their requests for capable guardians are favourably considered by the department and those whom they recommend are appointed. In Mr. A. G. McLeod, the inspector of fisheries for Cape Breton, we have a very splendid official. I may tell my hon. friend (Mr. Hanson) that this gentleman is an appointee of the old government, having been selected before the Civil Service Commission came in; but, notwithstanding that fact and the fact that all his affiliations are Conservative, I want to say in his behalf that he is perhaps the best inspector we have ever had in Cape Breton. Under him are four or five, probably six, overseers appointed by the Civil Service Commission, who of course are all non-partisan; they are mostly returned soldiers. So far as I am aware these men are all doing efficient work.

Mr. HANSON: Are these overseers the actual guardians?

Mr. CARROLL: No.

Mr. HANSON: That is the point.

Mr. CARROLL: But they also do the work of guardians. The guardians however are under them and no man who is not favourably known to these overseers is appointed. I have practical experience in my

own county as well as in the county of Inverness through which the Margaree runs. I know something also of St. Mary river in Guysborough county, and for some reason which I am unable to understand that river has been going down as a resort for tourists interested in salmon fishing. However, I want to give the officials of the department, not particularly the minister, but those under him, and especially the official gentleman who is at present on the floor of the House, credit for what has been done in this matter. I desire to pay them this compliment, that so far as the island of Cape Breton is concerned at any rate—and we think that the very best salmon and trout fishing is to be enjoyed there—we are getting the best protection possible. As a matter of fact, besides American tourists, we have very frequent visitors from the provinces of Ontario and Quebec who go there season after season and lend the guardians a helping hand in protecting the salmon streams from poachers and others who make an illicit use of them. As to the remarks of my hon. friend from Halifax (Mr. Black), I do not know anything about the peninsula of Nova Scotia, but I have some knowledge of the St. Mary river where I go occasionally. I have something else to say on this subject but my remarks will be more pertinent to item Fish Culture.

Mr. MacLAREN: Will the minister kindly give us a detailed statement, similar to the one he made for the province of Nova Scotia, showing what work has been done in New Brunswick.

Mr. CARDIN: The department did not remove any obstructions in the New Brunswick rivers, but it has built a fishway at Marysville, in York county. Perhaps I had better read the memorandum I have on this matter:

Marysville fishway, York county, $513.13. A new concrete fishway was built replacing one previously built by the company which had proved ineffective. The department paid one-half the cost of the new fishway which amounted to the above figure.

Robertson lake, St. John county, $78.37. New partitions were placed in the fishway to replace the old ones which were ineffective and in need of extensive repairs.

Salmon river, Victoria county, $422.90. The department paid one-half the cost of a fishway in a dam owned by Mr. Joseph Cote. The latter had not been required to build the fishway when he built his dam, and claimed this exemption because of the fact that prices were now much higher than when he built and, as a consequence the fishway would cost much more.

Theriault fishway, Victoria county, $27.75. An extension was built at the foot of the fishway to improve conditions for the ascent of salmon.

Mr. MacLAREN: Is there any list of rivers cleared?

Mr. CARDIN: No clearing was done in New Brunswick last year.

Mr. MacLAREN: I hope next year the minister will give me more encouragement.

Mr. CARDIN: It is the department's intention to send an engineer to the Maritime provinces to carry on an investigation, and it purposes to undertake any work that may be recommended by him.

Mr. MARCIL (Bonaventure): The most important salmon river we have in Canada is the Restigouche river, which is the boundary between New Brunswick and Quebec. Does the department still exercise its activities in connection with the salmon rivers of Quebec, or has it transferred its control entirely to the provincial government?

Mr. CARDIN: Our control in the fisheries of Quebec has been handed over to the provincial authorities.

Mr. MARCIL (Bonaventure): Including the clearing of the rivers?

Mr. CARDIN: Everything.

Mr. MARCIL (Bonaventure): What about the Restigouche, an interprovincial river?

Mr. CARDIN: The Quebec side is under the control of the provincial government.

Mr. MARCIL (Bonaventure): Was any work done on the rivers last year?

Mr. CARDIN: I am informed they are clear.

Mr. MARTELL: Was there ever in existence a regulation to prevent sport fishing on rivers or streams on Sundays? If so, is such regulation still in effect in Nova Scotia?

Mr. CARDIN: There is nothing to prevent Sunday fishing in Nova Scotia.

Mr. HANSON: Has the department been investigating the possibility of installing a fishway at the mouth of the Magaguadavic river? And what are the prospects of converting it into a salmon river?

Mr. CARDIN: Nothing has been done up to the present, but our engineer is going down there this summer to make another investigation. The result of his investigation last year was not satisfactory.

Mr. HANSON: Then the department has not abandoned the idea of putting a fishway at that point? This river is controlled by an American company which makes ground wood pulp at that point. While it is a somewhat important industry, yet I think it should not be allowed to prevent the installation of a fishway if in the opinion of the officials of the department such a fishway would be effective. I

4 p.m.

would not want to insist upon its installation unless the department had some reasonable assurance that it would function; but if the department arrives at that conclusion, I think it should act notwithstanding the opposition which will no doubt emanate from the St. George Pulp & Paper Company.

Mr. CARDIN: As I said, we are making a full investigation and will act on the engineer's report.

Mr. MARTELL: Has the department ever taken into consideration the advisability of making Sunday a close time in order that the fish might be able to get to their spawning grounds? I think such a regulation would aid the fisheries generally, apart from the moral standpoint altogether. I think more harm is done to our fisheries by Sunday fishing than by all other fishing throughout the week. People go off early in the morning in hundreds, and whip practically every stream. They are also the cause of setting fires. Moreover, there is a day set aside for rest—the seventh day.

Mr. HANSON: Saturday.

Mr. MARTELL: You can take it scripturally or in any other way, but one day in seven is necessary for man physically as well as morally. If the department does not act from the high moral standpoint, I submit that it should from the standpoint of the protection of our fisheries. In British Columbia there is a close time in order that the salmon may ascend to their spawning grounds. There is the same necessity for such a regulation in Nova Scotia, and I think Sunday should be declared a close day for our fish. I am confident that a regulation of this kind would meet with the approval of practically everybody save those who want to desecrate the Sabbath and who do not care what happens to the fish.

Mr. CARDIN: In Nova Scotia there is a regulation preventing fishing with nets on Sundays, but there is no restriction in regard to sport fishing.

Mr. MARTELL: There should be. Will the minister take that into consideration?

Mr. BLACK (Halifax): I thoroughly agree with the principle enunciated by the member for Hants. I know that many communities throughout Nova Scotia were very much annoyed when Sunday fishing became permissible, and it is the wish of those people not to be disturbed by those who thresh the river on Sundays and in other ways annoy the residents. I think in the interests of the fisheries it is only right that on Sundays the fish should have an opportunity of moving up river from pool to pool without being disturbed.

Mr. HANSON: Mr. Chairman, I agree with what these two hon. gentlemen (Mr. Martell and Mr. Black) say about Sunday fishing from the point of view of the fish; but I do not see any more harm in Sunday fishing than in Sunday golf, Sunday motoring, Sunday card playing and a dozen other forms of recreation that our people indulge in. Fishing is a good, healthful recreation; and if golfing is not harmful neither is fishing.

Mr. CARROLL: Golfing is indulged in in private places.

Mr. HANSON: Why do in secret what you would not care to practise in public? I do not believe in that sort of thing. I think we will have to leave the matter to the conscience of the individual.

Mr. CARROLL: I thoroughly agree that a regulation prohibiting Sunday fishing would not only be good for the fish but also would be good for the community. The analogy drawn by my hon. friend from York-Sunbury (Mr. Hanson) between Sunday fishing and Sunday golf is not a good one. If you play golf you do not disturb anyone, for you play the game on private grounds, but I do not think it is proper that hundreds of people should fish our rivers from early Sunday morning till late at night and incidentally disturb the local residents. I heartily agree with my hon. friends from Hants and Halifax that the department should take seriously into consideration the advisability of making a regulation under the act to stop Sunday fishing. This would give the fish an opportunity to get to their spawning grounds and would avoid a great deal of annoyance to those living along the rivers. Alewife fishing is prohibited from sundown on Saturday afternoon until nine o'clock Monday morning.

Mr. HANSON: That is commercial fishing?

Mr. CARROLL: Yes. There is no doubt it was the intention to give the alewives an opportunity of getting into the lakes to spawn.

A similar restriction would give our salmon and trout an equal opportunity. I would ask the minister and the officials of his department to take seriously into consideration the remarks of my hon. friends from Hants and Halifax in this regard.

Mr. NEILL: Mr. Chairman, I hope if the suggestion made by the hon. members who have just spoken is to take effect it will be restricted to Nova Scotia and New Brunswick. They seem to have got away from the item under discussion which, I understand, is fish ladders, and I do not quite see what bearing this discussion has on those things. It seems to have developed into a funny mixture of morality and supposed fish preservation. Is the idea to prevent people sinning by fishing on Sunday, or is it to benefit the fish?—because we have had the two subjects so mixed up that it is difficult to decide what is really desired. If it is wrong to fish on Sunday, that has nothing to do with this subject, and this is not an appropriate item under which to bring that up.

Mr. CARROLL: What are we discussing?

Mr. NEILL: We are discussing the clearing out of rivers and fish ladders.

Some hon. MEMBERS: Jacob's ladder.

Mr. NEILL: This is not Jacob's ladder we are discussing, but the clearing out of streams. I entirely agree with the remarks of the hon. member for York-Sunbury (Mr. Hanson) that this is not the place and this is not the way to legislate men into changing their churchgoing or religious points of view. That is entirely a matter for everyone's own personal conscience.

A great deal has been said about the disturbance caused by these fishers. I never knew before that fishers were a noisy and boisterous people, I had always thought their occupation required them to be quiet, and raise no noise at all. Another suggestion was made from the other side of the House that they started fires. Do they start more fires on Sunday than on Saturday? That is not logical. The suggestion is also made that they thresh the rivers and streams. But that does not make much noise. The suggestion is that it annoys the residents in the locality. It will not annoy them if they also are not on that stream themselves on Sunday, will it? Is not a great deal of the trouble just a little bit of selfishness? These people object to the worker who works six days a week, coming out on his one free day and getting his share of the fish, which, after all, are not the exclusive property of the local people. Cannot a great deal of this trouble be traced to a little hoggishness on the part of the country dwellers who know that if the worker can be forbidden fishing on Sunday, he will likely not fish at all and leave more sport for them? I am a country dweller myself, but we must let the man from the city or village get a chance of health and fresh air and innocent recreation on Sunday. However, I am prepared to allow these peculiar ideas of the previous speakers to be carried out in New Brunswick and Nova Scotia as long as they are not applied to the Province of British Columbia and we in that province are allowed freedom of conscience and liberty of action.

Mr. DOUCET: I am surprised that a member from Nova Scotia should tell the country that there is so much fishing going on in his province on Sunday. In our section, in New Brunswick, the Sabbath is observed much better than that. However, that is apart from the vote under discussion.

I rise to suggest this to the minister: If the department undertakes the clearing of rivers in New Brunswick, some attention should be paid to the Richibucto and its tributaries, the Bass, the St. Nicholas, and the Moulie's; and other rivers such as the Cocagne, the Buctouche, the Kouchibouguac, and others. These are all great rivers for the propagation of fish, but I understand that a number of mill dams have been constructed on them, with no proper fishways, and consequently the fish cannot get up the streams to spawn. This is very important, and I submit that the officials of the department should see that proper accommodation is provided so that the fish can get up these streams, and thus aid in the development of this great industry on these rivers.

Item agreed to.

To assist in the conservation and development of deep-sea fisheries and the demand for fish, $95,000.

Mr. HANSON: Would the minister explain what this is for?

Mr. CARDIN: The proposed appropriation is to enable investigation to be made into the best method of preparing fish for market; also the dissemination of useful and important information among the fishermen and dealers; also to enable measures to be taken for the expansion of the demand for fish, and to carry out undertakings of importance for the benefit of the fisheries the necessity for which may arise from time to time and would not otherwise be provided for. Under this appropriation educational stations are being established at Halifax and Prince Rupert. Assistance is also being given to the Canadian Fisheries' Association in carrying on an advertising campaign looking to the expansion of the trade.

Mr. DOUCET: In connection with the conservation of deep-sea fisheries I want to remind the minister that during the last session of this parliament the Marine and Fisheries committee adopted unanimously a resolution moved by the hon. member for Prince (Mr. MacLean) that, owing to the extremely rough weather in the month of October practically every year, the open season for lobsters, which to-day is from the 16th of August to the 15th of October, should be changed to read from the 6th of August to the 5th of October. That resolution, as I say, was passed unanimously on the 17th of June, and it was communicated by the clerk of the committee on the 16th of July to the Deputy Minister of Marine and Fisheries. That was in accord with and following a suggestion made at a meeting of that same committee held on the 30th day of April, 1924, at which meeting it was stated that an expert of the department was expected to visit the Maritime provinces and study the various phases of the fisheries in those provinces. Now the claim is made by some, possibly by some departmental official that the fish would not be in a condition to place on the market so early in August. The bulk of the fishermen contend otherwise. As a matter of fact, in the month of February last year a delegate from that section, and representing practically all the fishermen of the section, came to Ottawa with a petition asking that the open season should run from the 1st day of August instead of the 16th. We in the Marine and Fisheries committee thought that we would make a compromise, and we suggested advancing it by ten days for last year only, particularly in view of the fact that an official of the department would be on the ground and would be able to get first-hand knowledge as to whether the fish were really in a condition for market so early in the month of August. Unfortunately that was not done. There is no use harping on that, but what I do say is this: I understand that Dr. Knight of the Biological Board is to spend some time in the Maritime provinces this summer in connection with the deep-sea fisheries and with the canning establishments, and I humbly suggest to the minister, through you, Mr. Chairman, that the fishermen of that section of the country from Chockfish to Baie Verte, be given the privilege of fishing for lobsters beginning on the 6th day of August and running to the 5th day of October, following the suggestion that was made by the Marine and Fisheries committee last year, and Dr. Knight would then have an opportunity to learn whether the lobsters at that time of the month were in a condition to be marketed.

Now, Mr. Chairman, it is well known to all those who reside on the straits of Northumberland that practically every year, during the first two weeks of October, severe storms occur which occasion great damage to the fishing gear of the men engaged in this industry. As a matter of fact the fishermen are anxious to bring their gear ashore during the first week of that month, rather than expose it to the risk of being completely destroyed by the storms which make their appearance almost every year. If the lobsters are fit for the market at the time referred to why not allow the fishermen to take them, and in that way enable them to obtain a better livelihood than they have been able to secure in the past? I make the suggestion in all earnestness, fortified by the fact that the same suggestion was advanced last year in the Marine and Fisheries Committee by the hon. member for Prince.

Mr. MacLEAN (Prince): In regard to the suggestion that the lobster fishing season should start on the 5th August and end on 5th October I may say that Mr. Cowie, of the Marine Department, visited our province last year and met the fishermen of the different sections of the coast at a number of duly advertised meetings. I presume Mr. Cowie also visited the New Brunswick shore and held similar meetings there. At those meetings fishermen came and submitted their evidence to Mr. Cowie. There is no doubt there has been a strong demand to have the season changed; but apparently last year there was not as strong a demand as in former years on account of the business of shipping live lobsters to the United States which has developed largely within the last few years. People concerned in that business felt that possibly the shipment of live lobsters in the early part of August, when the weather was extremely warm, would not be as beneficial and might not turn out as well as was desired. After ascertaining the opinion of a great many fishermen from the different localities along the coast the consensus of opinion seemed to be that possibly for this year it would be better for the season to commence at the same date, namely, 15th August. The question of whether or not the lobsters were in a fit condition for human consumption at that time was also taken up, but there did not appear to be sufficient evidence to justify any definite conclusion. I am strongly of the opinion that the change suggested would be of great benefit to the fishermen because

it will enable them to save their lobster gear before the late storms make their appearance. I think the movement to open the season on August 5 would possibly meet with the approval of those interested. As I say the only possible objection was as to whether lobsters could be shipped in proper condition in the hot weather.

While I am on my feet I should like to refer for a few minutes to the oyster industry in Prince Edward Island. I think those who have any practical knowledge of oysters will acknowledge that the Malpeque oyster, from Malpeque bay, Prince Edward Island, was the finest oyster ever put on the market. Perhaps I am not in order in discussing this question in connection with the present vote.

Sir HENRY DRAYTON: Go on.

Mr. MacLEAN (Prince): A number of years ago the local government, with the idea of developing the oyster industry, obtained control of the oyster areas from the Dominion government. The provincial authorities then leased those areas to people in the immediate vicinity of the beds, located in certain bays and rivers, and also accorded them the privilege of importing American oysters for planting on those beds in the hope of stimulating production. As a result of the importation of these oysters some kind of disease or some species of insect was introduced and the consequence was that the areas which formerly produced oysters of such fine quality to such a wonderful extent were rendered completely non-productive, scarcely one live oyster being left in any of the bays or rivers. The report of a scientist who investigated the matter at the time showed that this destruction was the work of an insect which bored into the shell, or obtained entry into the body of the oyster in some way. However, the scientist in question was of opinion that after this devastation had run its course, which would probably occupy seven years, the insect would disappear, and restorative measures might be adopted. I have endeavoured to get some information on the subject from the Department of Marine and Fisheries but they do not seem to have any data which has any direct relation to it. I have also written to Dr. Knight on the subject but have received no reply as yet. The residents contiguous to the oyster areas, however, are of the opinion that the trouble has now disappeared and that the time is ripe for taking the steps necessary to re-stock the oyster beds. I think there has been some correspondence exchanged between the federal and provincial authorities with respect to the latter transferring back the control of these oyster areas to the Dominion government. It is impossible for the local government to undertake the work of developing and restocking the oyster beds because they do not possess the necessary funds. It is only through the instrumentality of the Department of Marine and Fisheries, therefore, that we can expect the necessary steps to be taken in the hope of restoring these devastated oyster beds to their former splendid condition. That such a work should be undertaken is most desirable. The oyster fisheries in the past constituted a great source of revenue to the fisherman of Prince Edward Island. When engaged in these fisheries he needed no expensive plant. For twenty-five or thirty dollars the fisherman could provide himself with a small boat and outfit, and his earnings from the oyster fishery each fall would yield him from $200 to $300. Unfortunately the industry has been wiped out, and in consequence many people have been compelled to leave the province and seek employment elsewhere. As I have already said the Malpeque oyster was of unsurpassed quality. It was obtained from the unsullied waters of the Atlantic coast, uncontaminated by sewage from large cities as is the case of many of the oyster beds of the United States and elsewhere, and constituted a delicious food which in no way endangered public health. I do plead with the government to look into this matter and carry out the necessary investigations with a view of seeing what can be done with a view of renewing these oyster beds and restoring them to their former healthy and productive state.

Mr. ROBICHAUD: We have several oyster beds in my constituency. Some of them are not doing well, but others are thriving. I doubt if the industry can really be made a success, but I hope the Department of Marine and Fisheries will investigate the matter fully and see what can be done in that direction. I understand the question of oyster development has been left to the different Maritime provinces for several years past, but that negotiations have been in progress with a view to transferring the oyster beds to the Federal government. I understand that two of the provinces have fallen into line and have decided to hand over the oyster beds to the Minister of Marine and Fisheries, but Prince Edward Island has not yet followed the example set by those two provinces. I hope that province will do so soon, in order to allow the department to go into this matter with some degree of seriousness.

Oyster culture has been adopted by several countries of the world. China, for instance, has cultivated oysters for the last three hundred years. Japan and the United States have also gone into the business very extensively and have made a success of it, after spending large sums of money and having met with a great many failures. However, I believe the question is of sufficient importance to justify this government going into it in order to ascertain whether or not oyster culture can be made a success.

We have in my constituency the Caraquet oyster beds which are the most important in the Maritime provinces, perhaps with the exception of the Malpeque in quality and the Buctouche in quantity. The old world famed St. Simon oyster has met the same fate as the Malpeque oyster, being almost extinct, but, however, not completely so. Some years ago the fishermen in Caraquet gave up oyster fishing, because they could not get any oysters. But three years ago the fishermen found there were oysters on these beds and they went fishing, with the result that 500 barrels of oysters were marketed. Two years ago 800 barrels were fished and last year they increased their output to some 1,300 barrels, which goes to show that the Caraquet oyster bed would be very profitable. I should like to know if the Department of Marine and Fisheries has made any endeavours to induce Prince Edward Island to go into the industry, and if so what is the intention of the department with regard to the matter.

So far as the lobster season is concerned I doubt very much if our people are unanimous in regard to the open season. There is a great deal of inconvenience when one section of the coast has a spring season and the other section a fall season. If it were possible to give a fall season to the northern section of New Brunswick as well as the section south of Chockfish, and in the whole of Prince Edward Island, I believe it would simplify matters to a great extent, and would benefit the fishing industry. In my constituency fishermen have a season starting on the 26th April, and very often in the latter part of April and the early part of May the coast is still icebound in that section, and therefore the fishermen lose part of their season. Last year a great part of the season was lost on account of weather conditions. This year so far fishermen in Gloucester are doing well, but I doubt if they will favour changing the spring season for a fall season. All these matters should be the subject of very serious investigation and inquiry, and should not be dealt with without proper consideration. I think they should be very carefully gone into by the Department of Marine and Fisheries.

[Mr. Robichaud.]

Mr. DOUCET: My hon. friend (Mr. Robichaud) must not take too much to heart my remarks about changing the lobster season. I never mentioned his part of the province. I mentioned that section south of Chockfish as far as Baie Verte.

I would like to have an answer to my question, and I will state the reason. The delegate who called on the minister in the month of February, 1924, although authorized by the great bulk of the fishermen of that section to present the case to the minister, went back to his constituency; whether he was chloroformed or not I do not know, but he never made a report to any one, publicly or otherwise. Again a resolution was adopted by the Marine and Fisheries committee unanimously, and whilst the fishermen in that section wanted to have the fishing season begin on the 6th day of August, and were laying their plans accordingly, yet the department could not accede to their request, and made no answer whatsoever. My hon. friend from Prince (Mr. MacLean) told us that Mr. Cowie of the Department of Marine and Fisheries visited his section. I am delighted to know that it was Mr. Cowie who went there, because while I was there I have yet to hear of any notification of Mr. Cowie's visit in the Maritime provinces. He was expected, I believe, to interview the representatives and the people, so that they in turn could get in touch with those most directly interested and obtain information on the subject. Whom he interviewed I know not, but I have to assume that he held meetings in view of the fact that he held several meetings in Prince Edward Island; but if he came to the conclusion that the consensus of opinion of the fishermen in that section was unfavourable to the 6th August as the opening date of the season, he must have come in contact with the very few who were opposed to the change. I submit that if a vote were taken of the whole fishing population of that section, you would find that very few dissented from the idea that if the fish were in proper condition to market—and I verily believe they are—they would vote to change the regulation, so that their fishing would not be placed in jeopardy every year as it has been in years past.

While the remarks of my hon. friend from Prince and the hon. member for Gloucester (Mr. Robichaud) rather diverted discussion to the oyster question, I would again ask the minister, has he seriously considered this

proposition, and can he to-day give a more definite answer to the demand made by the lobster fishing people of that section?

Mr. CARDIN: The position in which the department was placed was rather a difficult one. The year before last a report was made by Dr. Knight, of the Biological Board, against any change in the present season; last year, after the committee on fisheries had adopted this resolution, an officer of the department was sent to carry on an investigation, and the report of this officer was against any change in the regulation in the fishing industry. I do not know exactly the source of information of the officers of the department, but I am sure they made the best investigation that it was possible to carry on under the circumstances. At all events, the report actually before the department is a report against any change in the season. I may say to my hon. friend that I have no set choice in regard to these things. I am quite open to conviction and, if he has any new case to state before the department and any new representations to make, I shall be very glad indeed to take them into consideration; but, up to the present time, the two gentlemen who reported to the department, Dr. Knight and Mr. Cowie, are both against any change in this fishing season.

The department fully realizes the importance of oyster culture, but unfortunately, on account of difficulties in regard to jurisdiction over the oyster areas, it has been unable prior to the present time, to reach any conclusion and to establish any good system of culture. We have been communicating with the provincial governments of New Brunswick, Nova Scotia and Prince Edward Island, asking those governments to hand over to the federal government the oyster areas, in order to enable the Department of Marine and Fisheries to start a programme of some kind for the development and betterment of this interesting industry. So far we have been unable to secure the property or the right of going over all those areas. We have already reached certain conclusions with the provincial governments, but nothing as yet has been definitely settled. I hope, in the course of a very few weeks, I shall be in a position to state that an understanding has been reached between the federal and provincial governments. As soon as this understanding is arrived at, the department will be ready to endeavour to develop this very important industry of oyster culture.

Mr. STEVENS: I do not wish to delay the minister in the passing of these estimates; indeed, I should like to facilitate their passage; but under this item of the conservation and development of deep sea fisheries, and the demand for fish, can he give the committee some information regarding the northern section of British Columbia? I think he mentioned that part of the vote was applicable to Prince Rupert. That city is largely dependent for its commercial life upon the northern fisheries, and this is a very important matter to it. Recently we entered into a treaty regarding halibut, most of which is handled out of the port of Prince Rupert. It is vitally important to the northern section of British Columbia, particularly Prince Rupert, and it also supplies a very substantial quantity of traffic over the National railways, the old Grand Trunk Pacific line. Can the minister give the committee some information about the condition of the halibut of northern British Columbia, particularly that passing through the port of Prince Rupert. I understand some months ago complaint was made that there was some grievance regarding American vessels getting certain advantages which militated against Canadian vessels fishing out of Prince Rupert. The minister will probably recall the subject matter of the complaint.

Mr. CARDIN: I am informed that correspondence is being exchanged with the United States authorities in regard to the Halibut treaty, but that no definite understanding has yet been reached. I expect that a conference will shortly be held between the officials of the two departments, in order to have the necessary steps taken to derive the greatest benefit possible from the treaty which has been signed with the United States. The conference is also being held in order to take up all the difficulties that exist at present.

Mr. STEVENS: Will this representation of the city of Prince Rupert be laid before the conference?

Mr. CARDIN: Yes.

Mr. BANCROFT: I notice this item is to assist in creating a demand for fish. Has the minister's department ever considered trying to bring about some better method of distribution of fresh fish, that is, from portions of the country where fishing is carried on to those inland portions where it is almost impossible to get fresh fish at reasonable prices? In northern Manitoba and northern Saskatchewan we have all kinds of good fish, but it is very hard to get it distributed at anything like a reasonable price, owing to the express rates being so high. I thought this

matter might well come under this item, and that the department might be working out some plan to improve the distribution of fresh fish to such portions of the country.

Mr. CARDIN: For a number of years the department's assistance has been given to solving the problem which has been indicated by my hon. friend, by paying part of the transportation charges; but when the traffic had been built up to a certain extent, this procedure was stopped and the department is now trying to develop the demand for fish.

Mr. BANCROFT: That applies only to deep-sea fisheries. It does not apply to fisheries, say in the western provinces.

Mr. CARDIN: The department did not assist interprovincial traffic.

Mr. BANCROFT: This condition would obtain even within the provinces in the west. There are plenty of fish in northern Manitoba and northern Saskatchewan, whereas in the southern portions of those provinces it is very difficult for the people on the farms to get fresh fish at a reasonable price. Of course, that is accounted for by the perishable nature of the product and the high transportation rates.

Item agreed to.

Fish culture, $370,000.

Mr. ROSS (Kingston): This is quite a large amount and, perhaps, it is the most important item in this vote. I should like to draw the attention of the committee to certain facts in connection with fish culture. Fish hatching and fish culture have been going on now for some fifty years, and during that period we should know something as to the results. Unfortunately, it has been only very lately that any attempt has been made to find out where we stand and what we are obtaining by the expenditure of this large amount. There is what is known as the Biological Board which is assisting the department in this connection, and it has been studying the question. I should like to draw the attention of the committee to what I have personally observed. As a boy, I remember cans and cans of fingerlings being put into the lake where I fished when I was a boy and where I have lived for some years, and I have not seen one of those fish fully grown caught in that lake. That is an observation that should compel the attention of the committee. There are no doubt some abuses in connection with fish culture especially as regards the deposits of the fry and fingerlings. We have been playing the political game too much, members being anxious to report to their constituents that they had been successful in having ten, twenty or thirty thousand fry or fingerlings deposited in this or that lake, without ever considering what the cost and results have been. Certain results have been obtained by the Biological Board who have had specially qualified officials studying the question, and while no doubt the minister is familiar with the facts they should I think be brought to the attention of the committee. In June, 1923, there were deposited in what is known as Gunstone brook near Aylmer, Ontario, some 5,000 fry, and in September, the official who was looking into the subject was able to take out alive from that part of the brook only 175. The question naturally arises as what happened to the others. The official came to the conclusion that he would take out of the stream all the enemy fish and after he had removed some 36 rock bass he obtained 41 fry in their stomachs. This would indicate the reason for the disappearance of the fry. Near the same stream, in what was know as Buck brook, there were also deposited 5,000 fry, and from that brook there were obtained some 1,500. What accounted for the difference between this stream and the other? The difference between the number of fry secured was due to the fact that before the fry and fingerling had been deposited in Buck brook a large number of enemy fish had been taken out. In 1921 there were deposited in Kelly's brook, Prince Edward Island, in the month of May, 10,000 trout, and in September by seining 3,000 were obtained. At the same time there were deposited in that stream 11,662 fingerling, and in September not one could be obtained. The result in this case was due to a different cause from that which prevailed in the other cases; in this instance there was not sufficient food in the brook to feed the fry and fingerling deposited there. A more remarkable demonstration was carried out in Kettle brook in Elgin county. In June, 1921, 10,000 fry were deposited, and in June, 1923, 101,000 were deposited. In that case trout a year and two years old should have been obtained, and yet after seining not one trout was got. Instead there were a number of suckers, minnows, rock bass, black bass, shiners, and other fish of that sort to the total of 159. This will indicate what happened to the fry at that point.

I think I have given some facts that should cause us to insist upon the department taking some action in this matter. We have gone on for fifty years spending this amount of money on this work, and we have results

such as I have indicated. I am not going to say that the culture is absolutely useless in all cases; I have been shown where it has been successful. Nevertheless I think that our fish culture in these brooks has been a waste of money, and this because we have failed to put into practice the recommendations of the Biological Board. Two things should be taken into consideration before we go on depositing fingerlings and fry throughout the country. There should be a study of the lakes in which they are deposited to ascertain whether there is sufficient food to take care of them; and in the second place we should remove all enemy fish which are likely to destroy the fry and fingerlings.

This subject is closely connected with a matter that has been referred to many times in this House; I mean our tourist traffic. We have throughout Canada some of the most beautiful lakes that are to be seen anywhere, and altogether the conditions are ideal for the promotion of an extensive tourist traffic. Good fishing is an unfailing attraction, and we have now been for fifty years endeavouring to increase the number of fish in our lakes and streams both for sport and commercial purposes, with varying fortune. The time has come when we should take the question more seriously into consideration and deal with it in a businesslike way. It is unfortunate, I think, that this matter should be dealt with between the provinces and the Dominion without any real co-operation; there seems to be no responsibility, and we are going on in a slip-shod, blind, haphazard way in the work we are doing. It would be well for the department, acting in conjunction with the provincial authorities, to select some lakes such as Muskoka lakes and bodies of water to be found in Frontenac county, for instance, and on the advice of the Biological Board as well as that of practical fishermen in these districts, empty these lakes of all destructive fish before depositing any fry and fingerling. In that way only can any satisfactory results be secured from fish culture. The reports of the Biological Board are extremely interesting and instructive, but unfortunately their recommendations have not so far been taken seriously by either the provincial or the federal departments. In the interests of our own people, and with a view to increasing the fish in our lakes and streams, looking to the development of a tourist traffic, I would suggest that this matter be seriously taken up by the department and that the Biological Board be set to work to devise some means of coping with the matter. And in my opinion only the advice of that board should be followed as to where fry and fingerlings should be deposited.

Mr. CARDIN: My hon. friend has expressed the views of one of the members of the board. The resolutions which have been adopted by the Biological Board have been agreed to and acted upon by the Department of Marine and Fisheries, and we have been advised by the board that in the meantime the existing hatcheries be maintained so far as, in the opinion of the department, this may be justified. We are following the recommendations which have been made by the Biological Board. We have asked them to appoint certain officers to carry on the investigation along the lines of their suggestion. The work will be undertaken this year. In these scientific matters we have to rely upon our experts, in other words, the Biological Board. We have never up to the present time refused to follow their advice.

Mr. ROSS (Kingston): I quite realize that it is a scientific matter, but I would draw the minister's attention to the fact that the officials of departments are still continuing in the old way. I know of cases where men have asked that certain lakes be cleaned out before the fry is put in them, but nothing has been done. In a word, the practical results that we might expect from this work are not being obtained.

Mr. MARTELL: No doubt the members of the Biological Board are familiar with the characteristics of lobsters, but when they undertook to see if our Atlantic lobsters would flourish in the Pacific, they sent the lobsters westward and failed to take the plugs off their claws before dropping the lobsters into the sea, thus leaving them helpless. If that is the sort of thing they do we are better without the Biological Board. I understand that in Ontario the hatcheries for sporting fish are under the control of the provincial government, but that the hatcheries for the propagation of commercial fish are still under the control of the federal authorities. I know that in Nova Scotia the hatcheries have been a success. There is a hatchery three miles from Windsor where they propagate salmon and trout, and its work has resulted in many of our streams being replenished with fish. For instance, the Avon river in days gone by was a good salmon stream, but for many years it was necessary to put absolutely restrictive regulations into effect in an effort to restock the river, and it was not until the hatchery was established that any improvement was effected. To-day

5 p.m.

that is a very good salmon stream again. I do not know very much about the results obtained in connection with the Margaree and Bedford hatcheries, but I know that any interference with the hatchery system would not meet with the universal approval of our people in Nova Scotia. Probably we have advanced too quickly, but I submit to the minister that in so far as the artificial propagation of salmon and trout for the replenishment of barren streams is concerned, the hatchery system should be retained.

Far be it from me to criticize scientific men, but my experience of these scientists while I was in the Department of Marine and Fisheries was that they were, to say the least, not at all practical. For example, they would make recommendations to the department for the expenditure of vast sums of money before their experiments had been really successful. Our fisheries are entitled to the greatest consideration, and I do not believe that the department is doing one-tenth for the industry that it should. However, this is a day of economy. I believe, though, that much of the money now spent for other things might more properly be devoted to encouraging the fishing industry of Canada. In Nova Scotia they that go down to the sea in ships follow a very hazardous calling. As my hon. friend from Kent (Mr. Doucet) said, when discussing the lobster fisheries, in the early spring the men put out many hundred dollars worth of fishing gear, and probably before they get one night's catch it is all destroyed by a gale suddenly springing up. So when these men ask for assistance that they may be able to make a decent living, I think the department should always lend them an attentive ear. Do not be inclined too much to take the advice of so-called biologists. If the Biological Board had their way they would always have some scientific reason why the fish should still be permitted to swim in the water and the fishermen prohibited from catching them. The fewest restrictions possible should be placed upon our men who are engaged in fishing, for it is a hard calling. Every experiment which will have for its object the betterment of the fishing industry should be carried on, but biological experiments should not be indulged in to such an extreme as to spend a great deal of money on something that is not shown to be feasible. My experience of the department is that it contains many excellent officials who give their time without stint in an endeavour to evolve means for the betterment of the fishing industry. In all the departments I know you will find conscientious men, but in no department can more conscientious men be found than in the Department of Marine and Fisheries. They are not all experts; no man can be an expert in all lines, but the men in that department with very few exceptions are endeavouring to do their best for this great national industry of Canada. I have no more to say than this: Keep up your hatcheries, at least for the purpose of replenishing barren streams, and do not pay too much attention to your Biological Board until they can show that their scientific ideas are capable of being made feasible.

Mr. ROSS (Kingston): I have just one word to say. I hope the hon. member who has just spoken will not think, and I know the minister does not take it from what has been said, that the Biological Board are opposed to hatcheries. On the contrary what they want to do is to connect the hatcheries with practical results. The hon. gentleman has already spoken of the increased fish in these streams in his province. It may be that there are no enemy fish in these streams. I was only referring to the deposit of fry in these streams where they are immediately devoured by enemy fish and where there is not sufficient food. What I want is to connect the hatcheries with practical results.

Mr. BANCROFT: Has the department decided whether it is going to rebuild the Dauphin river hatchery in Manitoba which was burned down a year or so ago?

Mr. CARDIN: The policy of the department has been not to undertake any new construction before it has taken note of the information contained in the investigation that will be carried on.

Mr. BANCROFT: I would like to remind the minister that there are great fishery interests around lake Winnipeg, and we should not take any chances of depleting the fish of that lake by delaying reconstruction. This was a going concern. It was one of two or three hatcheries on that lake, and was burned down by accident a year ago. I think it should not be left in that state. While I am on my feet, I might mention again to the minister a fact which I have presented to him before, and that is that before that hatchery is rebuilt a conference should take place of all those interested in the fisheries, the fishing companies, representatives of the department, and the fishermen themselves, in an endeavour to decide on the best site for the hatchery. I would also like to compliment the department on the efficient work

that has been done on that lake in hatching for the first time on the North American continent the spawn of the sturgeon. The sturgeon, as everyone knows, is one of our most valuable fish, perhaps the most valuable fish that inhabits Canadian waters, and they are now making their last stand against civilization in these northern waters of the prairie provinces, having become almost extinct in other parts of the American continent; last year, I believe, was the first time on this continent that sturgeon have ever been successfully hatched artificially. This was due very largely to the persistent efforts of the department and the careful study that was made of the habits of the sturgeon by Mr. C. P. Paulson, Superintendent of the Gull Harbour hatchery. As a result of the careful study he had made of the habits of the sturgeon, he was finally able, after many failures, to hatch them artificially. I think therefore that the department would be well advised to allow Mr. Paulson considerable latitude in experiments along this line, and I would like a word from the minister as to whether he does not think that would be a good plan to carry out.

Mr. CARDIN: I think it is quite proper, and the department is carrying out that idea already.

Mr. McTAGGART: How many hatcheries are there in the prairie provinces and where are they located?

Mr. CARDIN: In Manitoba there are two, one at Gull Harbour and one at Winnipegosis; one at Fort Qu'Appelle, Saskatchewan; one at Banff, Alberta; and a substation at Spray Lake.

Mr. GOOD: I should like to direct the attention of the minister to the condition in the county of Brant. There is a fish hatchery there, which I presume is under Dominion jurisdiction, and I am told by residents along the Grand river that the results of the fish hatchery in that river seem to be practically nothing so far. I think the hatchery has been in existence for quite a number of years, but for one reason or another the river seems to be practically destitute of any fish at the present time. That is the information which comes to me, and I just wanted to direct the attention of the department to the situation so far as I know it.

Mr. CARDIN: The hatchery to which my hon. friend refers is a provincial hatchery; it is not under the control of this department.

Mr. GOOD: I am glad to know that.

Mr. STEVENS: How much of this vote is to be spent at Belle river, may I ask?

Sir HENRY DRAYTON: That application has still to be filed.

Mr. BIRD: Would the minister tell us what is the future policy of the department with respect to the destruction of suckers in the lakes of Manitoba?

Mr. CARDIN: The matter has been submitted to the Biological Board, I am informed, and the department is awaiting their recommendations.

Mr. BIRD: I understand that the destruction of suckers has been going on for two or three years?

Mr. CARDIN: Yes.

Mr. BIRD: And the board are doubtful as to the results?

Mr. CARDIN: The department has received no report from them yet.

Mr. BIRD: The policy of the department is not to continue the destruction of them for the time being, I understand?

Mr. CARDIN: Not at present.

Mr. DOUCET: I would like to remind the minister of the advisability of an official in the Maritime provinces to study the question of the quahaug, otherwise known as the hard-shelled clam. The quahaug fishery was a valuable industry in that part of the country many years ago, so much so that the department feared for its depletion and shortened the fishing season. As a matter of fact, I think the season now is about a month or five weeks each year, and that is at a time when the local people are otherwise busily engaged and do not give very much time to that industry. Unless those beds are raked regularly the fish will not thrive, and as a result the quahaug to-day is a very large size and is regarded by some as hardly suitable for marketing. I fear, and the majority of the people there fear, that unless some stimulus is given to that industry by lengthening the open season, possibly to the same length as the open season for oyster fishing, the quality of the fish will greatly deteriorate. I believe, and I simply reiterate here the opinion of a fisherman of my section, that the season should be lengthened so that the beds could be raked regularly, which would improve the quality of the fish, and create a demand for it. The department acted wisely in shortening the season, owing to the possibility of a depletion of the industry; but

to-day, after the expiration of a number of years, the government would be well advised if they caused their officer in that section to investigate the advisability of extending the season for a longer portion of a year.

Mr. CARDIN: I may say that we have already instituted an investigation.

Item agreed to.

To provide for investigations into practical and economic problems conected with fisheries, $10,000.

Mr. CARDIN: This appropriation is to cover Canada's share of the cost of the International Fisheries Commission appointed under the Pacific Halibut treaty.

Sir HENRY DRAYTON: What amount was spent last year in connection with this work?

Mr. CARDIN: Up to January 1, 1925, we had spent $5,923.

Sir HENRY DRAYTON: What work is covered by it?

Mr. CARDIN: The commission is charged with the making of a thorough investigation into the life history of the Pacific halibut with a view to determining what measures need to be taken by Canada or the United States to build up and maintain this fishery.

Sir HENRY DRAYTON: What is the personnel of the commission?

Mr. CARDIN: The Canadian commissioners are, Mr. W. A. Found, Commissioner of Fisheries. and Mr. Babcock, of British Columbia. I think the latter is Deputy Minister of the Provincial Department which deals with the fisheries. The commissioners for the United States are, Mr. Henry O'Malley, United States Commissioner of Fisheries; and Mr. Miller Freeman, of Seattle.

Sir HENRY DRAYTON: Where is the office of the commission?

Mr. CARDIN: There is no office at present. Mr. Babcock is the chairman of the commission.

Sir HENRY DRAYTON: I suppose he would occupy his own office and affairs would be conducted from there?

Mr. CARDIN: Probably.

Item agreed to.

Public Works—Fassett—wharf repairs, $5,500.

Mr. STEVENS: Will the minister give us the particulars of this vote?

[Mr. Doucet.]

Mr. KING (Kootenay): It is for renewing stringers and flooring on both upper and lower landing, and flooring of slip to lower landing, taking in all 28,000 feet board measure. We expended last year approximately $3,500. The work done in 1924-25 was as follows:

Repairing the damage done by the ice shove by rebuilding old pile approach by 4 cribs 12 feet by 16 feet with 20 feet openings. Cribs loaded with stone. Laying new stringers 12 inches by 12 inches by 22 feet and new 3 inch flooring. New hand railing and replacing old wheel-guards. The four cribs are sheeted on the upper side and corners. Driving 12 piles at the landing head and placing same under pile caps and bracing. Patching flooring upper landing and down slip. Lower landing: replacing all pile caps and stringers and relaying old flooring. Repairing roadway approach and adding a few loads of stone and gravel.

Item agreed to.

Father Point—wharf repairs and improvements, $23,000.

Mr. STEVENS: This is a large item. There was an item last year of $8,000, but I do not see a vote for that here. How was it secured?

Mr. KING (Kootenay): In the supplementary estimates, I think. This vote is to complete the work commenced in 1924-25 by repairing the damage done in the spring of 1924, and protecting the wharf from further damage by the construction of a crib along the north east side for a length of 100 feet and 15 feet wide at the bottom, blocking up the large hole torn in the side of the wharf; to enlarge and strengthen the wharf by the addition along a length of 255 feet of revetment cribwork 4 feet wide on top, and by driving piles along 1,050 feet on both sides and outer end. The total amount required will be $23,000.

Mr. LEWIS: Does this complete the work?

Mr. KING (Kootenay): That will complete the work at that point.

Item agreed to.

Gatineau River—bank protection, $2,700.

Sir HENRY DRAYTON: What is going on up the Gatineau?

Mr. KING (Kootenay): This is to complete the protection work commenced in 1924-25.

Sir HENRY DRAYTON: It was not gone on with at all was it?

Mr. KING (Kootenay): Yes, there was an appropriation in 1924-25 of $2,700; it was expended. The district engineer reported as follows in his annual estimates:

The intermittent washing away of the east bank of the Gatineau river below the Canadian Pacific railway bridge, opposite crown property, acquired in 1904 from Dr. Graham, now leased to the Gatineau Boom Company, and opposite private property immediately downstream of crown property, had taken such proportions in 1923 as to encroach upon the public highway, and endanger traffic and private dwellings.

A preliminary examination was made by Mr. Blais, May 29, immediately this office was advised of the landslip, and it was noted that considerable erosion had taken place, endangering the public road and private property downstream of crown property now leased to the Gatineau Boom Company.

The department has an interest there. There are certain booms and slides under the control of the Public Works Department.

Item agreed to.

Gaspe (Sandy Beach)—wharf repairs, $5,500.

Mr. STEVENS: Is the work in connection with this item endless or is there any possibility of it being finished?

Mr. KING (Kootenay): This is to complete the repairs commenced in 1924-25. I may say that this is a very large wharf, and repairs are needed annually.

Sir HENRY DRAYTON: Why is there necessity for doing this work annually?

Mr. KING (Kootenay): There is no wharf of these dimensions but needs some repairs from year to year. The main wharf is 725 feet long by 75 feet wide.

Item agreed to.

Grondines—wharf, $37,000.

Mr. LEWIS: The minister had better explain this item.

Mr. KING (Kootenay): This amount of $37,000, is required to complete the contract entered into with Messrs. O. and J. Poliquin for the construction of a section 460 feet long by 24 feet 6 inches wide of the new wharf (to be a total of 1,125 feet when completed). The original intention of the department was to construct a deepwater wharf there. However, after carefully canvassing the situation we have decided to build only one section at the present time and this contract will cover that.

Mr. STEVENS: What is the total amount of the contract?

Mr. KING (Kootenay): It was $38,460.

Mr. LEWIS: Most of this is a revote?

Mr. KING (Kootenay): Yes.

Mr. STEVENS: In 1923-24, there was a vote of $50,000, and in 1924-25, $35,000. In 1923-24, $15,000 was spent.

Mr. KING (Kootenay): Yes, there was an original contract amounting to $15,000. That section was built and the whole project was reconsidered, and we decided we would only build the further section costing $37,000. This work serves a useful purpose.

Mr. KENNEDY (Edmonton): What is the total cost?

Mr. KING (Kootenay): It is $52,000.

Mr. LEWIS: This completes the work for good?

Mr. KING (Kootenay): Yes.

Mr. KENNEDY (Edmonton): Is there any income from this wharf at all?

Mr. KING (Kootenay): I think not. The note I have is:

The exports consist of farm and dairy products, meat, vegetables and general merchandise, etc., which may average when a deep water wharf is built, 3,500 to 4,000 tons per season. We are not building a deep water wharf at the present time, but the work when completed will serve a useful purpose.

Mr. BOYS: What is the population of this place?

Mr. KING (Kootenay): The population tributary to it is 8,500.

Mr. BOYS: I mean, of the village itself.

Mr. KING (Kootenay): The population of the village is 626 people.

Mr. BOYS: How is it they need such a tremendously expensive wharf? We have many wharves in my part of the province. Ten or twelve years ago we thought we were lucky to get five or six thousand dollars. Here is $50,000 to be spent in a village of 600 people. It may be perfectly proper, but I think we should have more information. Is it very shallow there? Is it cement construction? It is a large sum for a wharf.

Mr. KING (Kootenay): This is the only wharf of importance between Quebec and Batiscan. It is an important farming community. There are some five or six parishes which would use this wharf. The total population is 8,500. The exports are largely farm produce. It is a very old section of the province.

Mr. BOYS: Is not the place served by the Canadian National Railway or the Canadian Pacific Railway?

Mr. KING (Kootenay): No, I do not think there is any railway communication.

Item agreed to.

Harbours and rivers generally—repairs and improvements, $75,000.

Mr. LEWIS: How much was spent on the harbours and rivers generally last year?

Mr. KING (Kootenay): We spent $67,816 last year.

Mr. STEVENS: Give us the distribution of this present vote.

Mr. KING (Kootenay): This vote is for unforeseen expenditure, matters that may occur during the year requiring special attention or repairs, and reported upon from time to time by the engineers, being principally for maintenance or to take care of unforeseen conditions that may arise. There are a great many items.

Sir HENRY DRAYTON: Suppose we put it on Hansard, without wasting time, by unanimous consent.

Mr. KING (Kootenay): Yes.

(The table referred to is as follows:)

Estimates of Canada for the Fiscal Year ending 31st March, 1926

Public Works—Quebec—Chargeable to income
Harbours and Rivers

Harbours and Rivers Generally

Itemized Statement of Expenditure 1924-25—	
Anse à L'Ours—Road Repairs	$ 414 75
Anse à Valeau—Wharf	4,643 50
Aylmer—Wharf	111 70
Batiscan—Wharf	273 10
Beauport—Wharf	932 61
Beloeil—Piers	25 09
Beloeil—Booms	166 82
Berthierville—Wharf	9 90
Bic Har—Wharf	369 81
Bromptonville—Protection Works	1,004 18
Buckingham—Floating Wharf	349 36
Cape Cove—Wharf Repairs	93 41
Carleton—Protection Works	300.49
Cedards—Wharf	34 48
Champlain—Wharf	49 25
Chicoutimi—Wharf	2,116 16
Chicoutimi—Lighting Wharf	336 20
Contrecoeur—Shed	473 52
Contrecoeur—Wharf	464 00
Cote Robichaud—Breakwater	399 97
Cote St. Catherine—Wharf	1,385 05
Cote St. Catherine—Shed	73 14
Descente des Femmes—Wharf	499 97
East Templeton—Wharf	23 15
Father Point—Wharf	611 49
Father Point—Repairs to sidewalks	224 79
Fort Coulonge—Wharf	299 73
Fox River—Shed	42 70
Generally	5,090 54
Glenburnie River—Breakwater (Bonventure, Co.)	649 01
Grand Entry (M.I.)	10 00
Grande Riviere—Wharf	6 11
Grondines—Old Wharf	149 75
Harrington—Wharf	260 05
Hull—Wharf	697 43
Hopetown—Constrn. of Approach	303 04
Iberville—Wharf	1,531 04
Iberville—Booms	34 40
Isle Aux Grues—Wharf	440 65
Lac des Isles—Wharf	270 15
Lac Megantic—Wharf	231 35
La Malbaie—Wharf	144 82
Lanoraie—Wharf	65 44
Lavaltrie—Wharf	38 27
Levis—Store and Yard	4,899 63
Levis—Wharf	592 49
Mekamik—Wharf	203 50
Mistook—Wharf	50 00
Montebello—Wharf	449 92
Montreal—Dist. Engr's Office Maintenance	840 33
Neuville—Wharf	209 63
Nicolet—Upper Wharf	399 31
Norway Bay—Wharf	957 99
Notre Dame de La Sallette—Wharf	828 04
Montreal—(Salary of Chas. Groleau)	1,565 00
Notre Dame des Sept Douleurs—Wharf	445 00
Notre Dame du Portage	1,097 60
Noyan—Wharf	128 15
Papineauville—Wharf	84 24
Peribonca—Wharf	576 59
Phillipsburg—Wharf	139 55
Piche Point—Wharf	739 64
Pierreville—Wharf	67 25
Pile Drive—Maintenance	1,461 72
Pointe Bourque—Crib Work (Bonaventure Co.)	300 00
Itemized Statement of Expenditure 1924-25—	
Pointe à Eli (M.I.)	253 79
Pointe au Tremble	58 67
Pointe à la Fregate—Breakwater	1,224 63
Cap de la Madeleine—Stores (Three Rivers)	900 00
Pointe Shea—Wharf	145 18
Poltimore—Wharf	399 75
Port Daniel	220 00
Quebec-Harbour Riv. St. Charles	150 00
Quebec—Dist. Engr's. Office Maintenance	647 89
Repentigny—Wharf	34 83
Rimouski—Wharf	356 68
Rimouski—Wharf Water-supply	235 60
Rimouski—Wharf Lighting	1,453 80
Riviere du Lievre—Floating Wharfs	458 08
Riviere Girard—Wharf	800 91
Riviere Saguenay—Installation of Guages	1,554 94
Ruisseau à la Loutre	244 26
Seal Rock—Beach Protection (Gaspe Co.)	124 25
Shigawake—Wharf	300 28
St. Adelaide de Pabos	10 00
St. Andre de Kamouraska—Wharf	375 66
St. Anne de Beaupre—Wharf	75 12
St. Anne de la Perade—Protection Works	996 80
St. Antoine-Verchères—Wharf	218 38
St. Antoine-Verchères—Removing shed	57 60
St. Charles Borromee—Wharf	198 25
St. Francois du lac—Wharf	666 08
St. Fulgence—Wharf Repairs	405 14
St. Ignace de Loyola—Wharf	74 75
St. Irenee—Wharf	1,574 91
St. Jean Deschaillons—Wharf	585 95
St. Jean Deschaillons—Shed	440 07
St. Jean-I.O.—Wharf	1,517 73
St. John—Booms (Riv. Richelieu)	61 40
St. Mathias—Wharf	395 99
St. Nicholas—Wharf	1,176 05
St. Omer—Wharf	400 00
St. Paul Isle Aux Noix	1,032 50
St. Roch de Richelieu—Removing shed	61 14
St. Roch de Richelieu—Wharf	61 38
St. Simeon—Protection works	725 18
St. Sulphice—Wharf	61 20
Stratford Centre—Wharf	650 00
Ste. Victoire—Wharf	468 63
Three Lakes—Road to Wharf	254 60
Thurso—Wharf repairs	71 40
Three Rivers—Dist. Engr's. Office Maintenance	296 70
Three Rivers—Repairs to Coal Dock	12 90

Estimates of Canada for the Fiscal Year ending 31st March, 1926

Public Works—Quebec—Chargeable to income
Harbours and Rivers

Harbours and Rivers Generally

Vaudreuil—Wharf	181 26
Varennes—Wharf	1,295 01
Verchères—Wharf	72 09
Verdun—Wharf	531 47
Verdun—Shed	90 03
Woodman's Beach—Breakwater (Bonaventure Co.)	701 83
Yamachiche Govt. Property	50 00
Yamaska—Lock and Dam	720 00
Total	$67,816 08

Item agreed to.

Ile Perrot Sud—wharf repairs, etc., $1,200.

Sir HENRY DRAYTON: Where abouts is that?

Mr. KING (Kootenay): It is in Vaudreuil.

Sir HENRY DRAYTON: What are we doing there?

Mr. KING (Kootenay): The work consists of renewing the cap piece, the fenders and the whole flooring, and filling and levelling the right of way with a new layer of gravel.

Item agreed to.

Kamouraska—repairs to wharfs, $4,000.

Mr. KING (Kootenay): This amount is required for general repairs to both wharfs as follows:

Upstream wharf: To renew 19,000 feet, board measure face timbers, cross ties, stringers, coping and flooring, and construct a shed, 15 feet by 20 feet, 2,160.

Downstream wharf: To renew 19,000 feet, board measure, of coping and sheathing, and extend the slip 20 feet by 17 feet, $1,840.

Making a total of $4,000.

Item agreed to.

Lachine—reconstruction of Grand Trunk Railway wharf, $18,000.

Mr. LEWIS: Have we to look after this wharf?

Mr. KING (Kootenay): As I explained the other day, in dealing with the item of the Caughnawaga wharf opposite Lachine, this is a service where there has been a good deal of traffic across the river, a ferry service and wharves on each side. We took over from the Grand Trunk an old wharf that was getting into disrepair.

Sir HENRY DRAYTON: What year was that?

Mr. KING (Kootenay): In 1923-24. We obtained a lease from them and we are putting this wharf in repair. We constructed a portion of it last year, and this is to complete the work this year.

Mr. STEVENS: What is the revenue?

Mr. KING (Kootenay): The revenue is nil, so far as the government is concerned, but the work serves a very useful purpose. In fact, as I stated the other day, the traffic is increasing every year. In 1921 there was only one steamboat, the "Hebron" making the ferry service, and the traffic was as follows:

Passengers	16,800
Automobiles	10,500
Market vehicles	15,750

Merchandise of all sorts, more than 2,000 tons.

A great many farmers use this wharf going to Montreal with their produce and merchandise of all sorts. Two boats were in commission last year. It is also a landing place of the steamer running daily from Lachine to Carillon and Montreal, going down the Lachine rapids on its return trip. Every day in summertime hundreds of people go to Lachine to board the boat before it goes down the rapids. The Canada Steamship Line steamers, the Rapids King and the Rapids Queen stop also at Lachine to take passengers before going down the Lachine rapids.

Mr. STEVENS: Do they pay no wharfage?

Mr. KING (Kootenay): They may pay wharfage in the Marine department.

Mr. CARDIN: I could not give definite information, but I am under the impression we call for dues at this wharf, and I remember now that the Marine department had a difficulty with the proprietor of the boats in regard to fixing an amount to be charged them for the use of the wharf. I am sure they are paying something.

Sir HENRY DRAYTON: Could the minister tell us what accommodation the public have when they get there? Do the street railway lines now pick up people at the ferry at that point? My recollection is that there was also a Grand Trunk passenger service from this point. I have a fairly good recollection of objecting—and the minister will correct me if I am wrong—to this being taken over. I thought the Grand Trunk should look after the service. They are collecting the passengers at this point and getting the revenue.

Mr. KING (Kootenay): They abandoned the service.

Sir HENRY DRAYTON: Does the minister say they abandoned the passenger service?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I do not know why they should be allowed to do it. The long and the short of it is that, as a result of a rearrangement, we are just taking care of a burden which to-day seems to be $43,000 at this point, looking after something which the Grand Trunk should have looked after.

Mr. LEWIS: We shall have to pay it in any case.

Sir HENRY DRAYTON: But we should have our accounts right and know where we stand. Is this the end of the matter, or will there be a further expenditure?

Mr. KING (Kootenay): We are hoping that this will be the end of it. A project was mooted there in 1918 or 1919, and property was bought with a view of making a terminal there. The property cost a considerable sum of money, and then it was found that to carry out the project, dredging would have to be done there at a cost of $156,000. We rather backed away from that project and we developed this cheaper plan. I think it will work out satisfactorily.

Item agreed to.

Lotbinière—wharf reconstruction, $12,000.

Mr. KING (Kootenay): This revote is required to provide for the contract with Messrs. Lemieux and Roberge for the reconstruction of the balance of this wharf, 397 feet long by 34 feet wide, the new construction to consist of concrete walls on each side, stone filling between and a macadam flooring. The amount of the contract is $10,899.60; inspection and contingencies, $1,100.40; or a total of $12,000.

Item agreed to.

Miguasha—wharf extension and slip, $10,400.

Mr. KING (Kootenay): This amount, $9,000 of which is a revote, is required to provide for the contract with Messrs. Lavoie and LeBlanc to construct a slip 50 feet long by 20 feet wide at the outer end of the existing wharf, with a cribwork extension on the western side 200 feet long by 20 feet wide. The amount of the contract is $8,881.01; extras authorized, $681.40; inspection and contingencies, $838; or a total amount required, say, of $10,400.

Sir HENRY DRAYTON: When was the contract let?

[Sir Henry Drayton.]

Mr. KING (Kootenay): October 18, 1924. There were a number of bids ranging from $8,881 to $17,182. The lowest tender was accepted.

Item agreed to.

Montmagny—repairs to wharves, $4,200.

Sir HENRY DRAYTON: This is a larger vote this year.

Mr. KING (Kootenay): This amount is required for the following urgent repairs:

1. Outer wharf—to renew 10,000 feet B.M. of timber, 12,000 feet B.M. of flooring; 1,000 feet B.M. of sheathing; 500 feet B.M. of waling, paint and shingle the shed and replace 900 cubic yards of stone filling..	$3,360
2. Inner or Belanger wharf—repairs due to undermining of wharf and construction of a berth along east side of outer end, 100 feet long by 20 feet wide..	840
Total..	$4,200

Sir HENRY DRAYTON: This sounds more like an extension than repairs to some parts.

Mr. KING (Kootenay): No. It is repairs.

Item agreed to.

Nicolet—repairs to jetty, $13,300.

Mr. KING (Kootenay): This is to repair the stone jetty on a total length of 1,200 feet starting from the outer end of lake St. Peter. The repairs will consist of construction of a brace work placed outside the existing stone jetty, tied at the rear with bracing and tie rods; the whole filled up with stone to the top level of the brace work. The work is to be done by contract and it is estimated to cost $13,260. The engineer reports:

> The object of this work is to prevent the depositing of sand carried by the current of lake St. Peter into the channel at the outlet of the river Nicolet. The jetty is at present all dismantled and does not answer any more the purposes for which it was constructed. The sand is deposited into the channel at this place and necessitates dredging to the river every year.

The population is about 17,000.

Sir HENRY DRAYTON: What does the engineer mean by saying that the jetty is all dismantled?

Mr. KING (Kootenay): It is broken down, practically out of use and in disrepair.

Sir HENRY DRAYTON: That seems to be a wrong term for the engineer. I am afraid he is not a very accurate engineer.

Mr. KING (Kootenay): He is a French engineer and I am afraid he is not familiar with the English language.

Sir HENRY DRAYTON: No French engineer would make a mistake like that.

Item agreed to.

Pentecoste river—dredging, $22,000.

Mr. KING (Kootenay): This revote is required to complete the contract with the Canadian Dredging Company, Limited, to dredge a channel to the St. Maurice Lumber Company's wharf at the Pentecote river. This was requested last year and the contract was let in August. This is to complete the work.

Sir HENRY DRAYTON: What is the rate per cubic yard?

Mr. KING (Kootenay): Fifty-two cents for class "B", and $6.50 for class "A". There is no class "A" there.

Item agreed to.

Pointe aux Esquimaux—wharf repairs, $19,300.

Mr. KING (Kootenay): This is to protect the head block by sheet piling along the frontage of 100 feet, 35 feet along one end and 31 feet along the other end; to renew and level the top of the head block and place a stone mattress along the front of head block. The estimated cost is as follows:

Sheet piling	$12,000
Stone	500
Cribwork	2,000
Labour and contingencies	4,800
Total	$19,300

Mr. LEWIS: Is this by contract?

Mr. KING (Kootenay): This work is to be done by contract.

Item agreed to.

Pointe au Pic (Murray Bay)—wharf repairs, $15,000.

Sir HENRY DRAYTON: How do we manage to get rid of $15,000 there?

Mr. KING (Kootenay): This is to repair the damage done in the fall of 1924 to the concrete wall of the west side of the wharf, to renew stringers, flooring and waling on the head block, to paint part of the shed, and to place two new ladders and new hoisting blocks for the movable slip.

Mr. STEVENS: What is the total cost of that?

Mr. KING (Kootenay): $15,000.

Mr. LEWIS: We spent over $7,000 at the end of last year.

Mr. KING (Kootenay): But this was damaged last fall. The engineer reports that the outer face of the wharf gave way in June, 1924.

Sir HENRY DRAYTON: I know that particular wharf pretty well. It is an important point and it should be looked after. How the department can manage to get rid of so much money on such a comparatively small front is really a matter of some interest to me. The wharf is a good long wharf, but the business end of it is not very great. It is a permanent wharf. It was put in properly with cement and all that sort of thing. My recollection is that it has what looks like steel stringers at the proper places and that it has a concrete floor.

Mr. KING (Kootenay): It has.

Sir HENRY DRAYTON: There are also modern appliances for looking after the front of the wharf. Unless the work has been terribly done, how is it that we can get rid of so much money year by year in connection with a wharf which was looked upon, unless the department has absolutely fallen down in its construction, as a permanent concrete structure? If these concrete wharves are so fragile we might as well put down a new wooden wharf every year.

Mr. KING (Kootenay): There was a fracture to the wall in 1909 due to a collision and this weakened it in 1924. The concrete wall has been considerably damaged, much of the outer portion having been washed out to sea. The damage is serious and as this is an important structure, as the report indicates, it is essential that the repairs be made.

Sir HENRY DRAYTON: That simply confirms what I said before. It would seem that it would be better to put up wooden structures periodically if these so-called permanent works are so easily destroyed.

Mr. KING (Kootenay): Concrete is not permanent.

Sir HENRY DRAYTON: I should have thought it would be relatively permanent.

Mr. KING (Kootenay): Not in this climate with the frost acting upon it; concrete will break and rot especially if there is an abrasion in it.

Sir HENRY DRAYTON: What is the lifetime of a concrete wharf?

Mr. KING (Kootenay): It depends on how it is mixed and the conditions to which it is subject.

Sir HENRY DRAYTON: I think the minister is right; it does depend on the mixture you put in.

Mr. LEWIS: Is it more permanent than wood?

Mr. KING (Kootenay): Yes, I should think so.

Mr. BOYS: If these wharves are to crumble every year it would seem that the mixture ought to be stronger.

Item agreed to.

Rimouski—wharf repairs, etc., $6,500.

Mr. STEVENS: Last year the vote for this work was $27,000 and the year before it was over $11,000. This seems to be a large undertaking.

Mr. KING (Kootenay): This is a very considerable structure. This expenditure is to complete certain work undertaken in connection with a wing of the wharf during the fiscal year 1924-25, amounting approximately to $1,000, as well as to provide certain protection piles 700 feet in length on the western face, at a cost of $3,500. Besides this there will have to be a renewal of flooring and other repairs of this nature. The work will be done by day labour.

Item agreed to.

Rivière aux Vases—wharf repairs and shed, $1,420.

Sir HENRY DRAYTON: What business goes over this wharf?

Mr. KING (Kootenay): The traffic at this point consists of cattle and freight and there are four steamers that call at regular intervals with a capacity of sixty passengers. A population of about 1,600 is served.

Item agreed to.

Rivière du Loup (en bas)—wharf repairs, $4,900

Mr. MEIGHEN: The minister would not allow this work to go without repairs, but why so much?

Mr. KING (Kootenay): This vote is to renew 13,000 feet, board measure, of sheathing; 8,000 feet board measure of fenders; 16,000 feet of railing; 5,000 feet of flooring and three ladders, and to paint the shed. The wharf is served by the Canadian Steamship Lines and it is also used in the schooner traffic.

Item agreed to.

Rivière Ouelle—wharf repairs, $5,450.

Mr. STEVENS: This is a new item.

Mr. KING (Kootenay): This vote is to renew 40,000 feet board measure of flooring along the approach, 8,000 feet of sheathing on the headblock, and to repair the concrete sheathing of the headblock.

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

Mr. KING (Kootenay): No.

Mr. MEIGHEN: Why not?

Mr. KING (Kootenay): The engineers report that it would be more economical to have the work done by day labour.

Sir HENRY DRAYTON: How many cubic feet of concrete will be used?

Mr. KING (Kootenay): I have not the estimate with me.

Mr. MEIGHEN: What riding is it in?

Mr. KING (Kootenay): Kamouraska.

Sir HENRY DRAYTON: We do not know how much work is to be done.

Mr. KING (Kootenay): The greater expenditure will be devoted to renewing the flooring and sheathing the headlock.

Mr. LEWIS: Work of this description could easily be tendered for.

Mr. MEIGHEN: Has the engineer given reasons why there should be no tender when the amount is over $5,000? If tenders are not to be called for you may as well change the law.

Mr. KING (Kootenay): All the material going into the work is tendered for; but repair work of this kind, it has been shown, can be done better by day labour.

Mr. MEIGHEN: Had you not better change the law instead of going on breaking it?

Mr. KING (Kootenay): There is discretion under the law.

Item agreed to.

Roberval—wharf repairs and improvements, $13,650.

Mr. KING (Kootenay): This vote is to complete the contract with Messrs. Methot and Fournier for wharf improvements, amounting to $12,000, and to repair the shed flooring and sheating of the headlock at a cost of $1,650.

Mr. MEIGHEN: What member landed this plum?

Mr. KING (Kootenay): This is in the county of Chicoutimi-Saguenay.

Item agreed to.

Ste. Adelaide de Pabos—wharf repairs, $1,200.

Mr. MEIGHEN: This is new. What happened to the wharf?

Mr. KING (Kootenay): This vote is to repair the flooring and renew the stringers for a length of three hundred feet. The engineer reports that the repairs are essential for the maintenance of the wharf.

Mr. MEIGHEN: What riding is it in?

Mr. KING (Kootenay): Gaspé. It is on the north shore of the St. Lawrence near Chandler.

Sir HENRY DRAYTON: Is that east or west of Tadoussac and Murray Bay?

Mr. KING (Kootenay): East.

Mr. MEIGHEN: How many people are within a range of twenty miles, say, of this wharf?

Mr. KING (Kootenay): I am told that it is a very prosperous parish located four miles east of Chandler, in the county of Gaspé, with a population of about 2,350, engaged mostly in farming and fishing.

Sir HENRY DRAYTON: I understood the minister to say that this was on the north shore.

Mr. KING (Kootenay): It is on the south shore I find.

Sir HENRY DRAYTON: I was going to say we are now carrying on at great expense to the country a railway which skirts the whole of the north shore down to Murray Bay, and a great deal of the traffic is now looked after by the railway; therefore the same necessity for wharves there no longer exists.

Mr. MEIGHEN: Is the minister keeping up all the wharves on the north shore too. I would not think there would be much business for them.

Mr. KING (Kootenay): I do not think many have been abandoned. Where you have a fishing population dependent on these wharves you will always have more or less water-borne traffic.

Sir HENRY DRAYTON: We made a mistake in building the railway; it was to do the business.

Mr. KING (Kootenay): It was not built to serve those localities.

Item agreed to.

Ste. Anne de la Pocatière—wharf repairs, $1,200.

Mr. MEIGHEN: Where is this place?

Mr. KING (Kootenay): In Kamouraska county.

Mr. MEIGHEN: Kamouraska county has been very lucky. What is the reason?

Mr. KING (Kootenay): This vote is to renew the flooring and coping.

Mr. MEIGHEN: That is St. Alexis?

Mr. KING (Kootenay): No, Ste. Anne de la Pocatiere. St. Alexis was passed.

Mr. MEIGHEN: I do not know how it passed. I did not hear it go.

Mr. KING (Kootenay): We will go back to St. Alexis if my right hon. friend wishes.

Item agreed to.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

THE LONDON MUTUAL FIRE INSURANCE COMPANY OF CANADA

Mr. W. A. BOYS (South Simcoe) (for Mr. Hocken) moved the second reading of and concurrence in amendments made by the Senate to Bill No. 10, respecting the London Mutual Fire Insurance Company of Canada, and to change its name to "London Fire Insurance Company of Canada."

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

EDGEWORTH GREENE PATENT

Mr. FRANK S. CAHILL (Pontiac) (for Mr. Jacobs) moved the second reading of and concurrence in an amendment made by the Senate to Bill No. 14, respecting a patent of Edgeworth Greene.

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

SECOND READING

Bill No. 164, for the relief of Walter Thomas Pratchett.—Mr. Church.

SUPPLY

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

Harbours and rivers—Quebec—St. Antoine de Tilly—wharf reconstruction, $20,000.

Mr. LEWIS: Would the minister explain this item?

Mr. KING (Kootenay): This is required for the demolishing of the existing head block, which is 49 feet by 39 feet, and the construction of a new head block 100 feet long by 40 feet wide. The engineer reports:

The present head block is all rotten and decayed, and in order to give necessary accommodation to navigation the construction of a new head block is imperative. There is no railroad in the locality, and the only means of communication and transportation are by navigation.

There are a number of parishes dependent upon this structure for accommodation, with a population of about 4,500.

Item agreed to.

St. Antoine de Tilly—dredging, $15,000.

Mr. KING (Kootenay): This is to provide for a contract with the National Dock and Dredging Company for the execution of dredging at St. Antoine de Tilly, to dredge a channel 900 feet by 50 feet, to a depth of 6 feet.

Mr. LEWIS: Is this the same as last year?

Mr. KING (Kootenay): Yes, an order in council was passed on the 17th of September of last year authorizing this contract.

Item agreed to.

St. Laurent d'Orleans—wharf repairs, $12,800.

Mr. LEWIS: What is this for?

Mr. KING (Kootenay): This is to paint the shed and hoisting apparatus, and repair the damage done to the approach which was washed out on a length of 160 feet. The new construction will consist of concrete walls on each side of the approach 179 feet long, with filling between, and concrete pavement. This wharf is a very old one, having been built in 1865. The engineer reports:

These repairs are required for the maintenance of the structure in good condition. The traffic is relatively heavy some 40 to 60 passengers being carried daily, both ways, by the S.S. Champion plying between Quebec, the island, St. Michel etc., and calling at St. Laurent twice daily during the summer season. On Sundays the traffic is increased to 200 or 300 passengers each way. This steamer carries also a few tons of freight daily. Some schooners call occasionally, and one of them regularly each week. The wharf is also a good shelter for the small navigation and the proposed expenditure will be of a public nature.

Mr. BOYS: I understood the minister to say the repairs were due to the washing away of the wharf. What was it constructed of? If it was constructed of cement I do not see how it would wash away.

[Mr. Cahill.]

Mr. KING (Kootenay): My hon. friend apparently does not understand. The new construction will consist of concrete walls. The old wharf apparently was constructed on the bank of the river, and the timber of which it was built has been washed away. That happens very often.

Mr. BOYS: That is what I wanted to know. The former wharf was of wooden construction?

Mr. KING (Kootenay): Yes, and it is to be reconstructed of cement.

Item agreed to.

Ste. Petronille (island of Orleans)—wharf repairs and improvements, $5,000.

Mr. BOYS: This is another very substantial item.

Mr. KING (Kootenay): This is to repair the damage done in the fall of 1924 to the wharf expropriated in 1923-24, by replacing the stone filling washed away, and to repair the flooring of the slip, construct a new floating pontoon, and to enlarge the approach by means of a triangular-shaped addition 175 feet along its outer face composed of a concrete wall with stone filling.

Mr. GARDINER: How much was spent on this work last year?

Mr. KING (Kootenay): We spent $14,463 last year.

Mr. GARDINER: Will this further vote complete the work?

Mr. KING (Kootenay): This will complete the work.

Mr. LEWIS: Why is there no revote in regard to this work if only $14,000 were spent last year?

Mr. KING (Kootenay): Apparently there was damage done to the wharf last year, the stone filling being washed away.

Mr. LEWIS: But why was there not a revote this year when $37,100 was voted last year?

Mr. KING (Kootenay): We expected to clean it up last year.

Mr. LEWIS: I thought you said that only $14,000 was spent?

Mr. KING (Kootenay): The remaining vote lapsed.

Mr. MEIGHEN: If $37,100 was voted last year and only $14,000 was spent then the minister would be before us for a revote for the balance.

Mr. KING (Kootenay): We are not asking for it.

Mr. MEIGHEN: That is the explanation the minister has always given of what revotes are.

Mr. KING (Kootenay): At the time our estimates were made up we expected to complete the work.

Mr. MEIGHEN: That is all right, but the minister did not complete it; he only spent $14,000.

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: How is it the balance does not appear as a revote?

Mr. KING (Kootenay): It might appear as a revote but we did not know at the time our estimates were made up that there would be any balance. We expected to complete the structure.

Mr. MEIGHEN: At the time the estimates were made up?

Mr. KING (Kootenay): Yes. I have already explained the nature of the work proposed to be done. Probably I should also explain that the department took over this wharf last year, and an award was made by the Exchequer court to the amount of $29,604.45.

Mr. MEIGHEN: To whom was that award made?

Mr. KING (Kootenay): The owner of the wharf.

Mr. MEIGHEN: It is a private wharf then?

Mr. KING (Kootenay): It was, but not now; it was taken over last year.

Mr. BOYS: I notice that when this item first appeared—apparently in 1923-24—the sum of $37,100 was voted. The same amount appeared in 1924-25. This year the vote asked for is $15,000. Was the contract price originally $37,100?

Mr. KING (Kootenay): No.

Mr. BOYS: Then where do these figures come in?

Mr. KING (Kootenay): That was the original estimate for the purchase of the wharf. Judgment was rendered by the Exchequer court awarding $29,604.45, and this is to complete the repairs that were undertaken last year.

Mr. BOYS: When was the award made by the Exchequer court?

Mr. KING (Kootenay): Judgment was rendered by Mr. Justice Audette on May 23, 1924, fixing the amount of the compensation at $29,604.45 with interest at 5 per cent to November 20, 1923. An appeal has been taken to the Supreme Court of Canada from this judgment.

Mr. BOYS: I could understand the estimate appearing for that year for the amount of the wharf, but apparently before the award was made—I judge before the matter was positively determined; it is pretty hard to say from the information given—an item of $37,100 appeared in the estimates. That is what I cannot understand. I should not have thought the minister would know what he had to pay until the award was made. Then he would ask the House for an estimate for that amount and that amount exactly, whereas he is asking here for $37,100.

Mr. KING (Kootenay): We had not only to expropriate and pay for the wharf, but we had repairs to make. We spent $14,463 last year in repairs.

Mr. MEIGHEN: When did the government decide to take this wharf over?

Mr. KING (Kootenay): There was an estimate in 1923, for this wharf. We decided to acquire the structure, and the expropriation proceedings were carried on in May, 1924, and the award given.

Mr. MEIGHEN: That is to say there was an amount to acquire the wharf and an amount to improve it in the estimates for 1923-24?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: And at that time the wharf belonged to somebody else?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: What damages would we be liable for if the wharf was a private wharf? What did the government do to the wharf to cause damages?

Mr. KING (Kootenay): The government required the wharf. This was a private wharf and a very important one.

Mr. MEIGHEN: Oh, it is the expropriation price?

Mr. KING (Kootenay): The government decided in 1923, they would purchase the wharf. They were not able to agree with the present owners and they went to the Exchequer court in 1924, and received the award of the court. There is nothing unusual in this procedure.

Mr. MEIGHEN: But the award was $29,000.

Mr. KING (Kootenay): It was $29,604.

Mr. BOYS: What were the reasons which prompted the department to acquire this wharf?

Mr. KING (Kootenay): It is a very important wharf but the public were not getting the access to it that they should. The owners were not giving the public the opportunity they should get of using the wharf even by the payment of tolls; the wharf was blocked at times, and the gates were opened to suit the convenience of the owners. They were running a ferry service, and did not permit the easy access of other people who required the use of the wharf.

Mr. MEIGHEN: How many people live on the island?

Mr. KING (Kootenay): I will give my right hon. friend a statement of the traffic on the wharf, and it will give him an idea of the population. I have not the population at present. My note reads:

The traffic on this wharf is very important; La Cie Maritime de Levis operates the steamers Frontenac (304 gross tons), built in 1899, and Champion (482 gross tons, built in 1897). The former makes the service between Quebec, Lauzon and Ste. Petronille and the latter makes the service between Quebec, Ste. Petronille, St. Laurent, St. Jean, St. Michel and Berthier. During the summer season the Frontenac makes eight round trips daily and the Champion one daily trip during the week and two on Sundays. During spring and fall the number of trips is much less and during winter the S.S. Queen, belonging to another company but having the same managers, makes a few trips occasionally to Ste. Petronille. At Ste. Petronille during the summer season, the traffic consists of 200 to 300 people daily and 10 to 15 automobiles and other vehicles. On Sundays this number is increased to 1,500 to 2,000 passengers and 40 vehicles; general freight to about 15 tons weekly. All these quantities on the traffic are for the traffic from Quebec to Ste. Petronille, the same quantities are transported on the way back to Quebec.

The imports consist of general merchandise and provisions for a value of $70,000 and the exports consist of:

Fruits	$ 75,000
Vegetables	8,000
Fish	10,000
Meat and poultry	40,000
Hay	1,000
Total exports	$134,000

Mr. McCREA: Carried.

Mr. MEIGHEN: I am glad to know the hon. member for Sherbrooke has arrived. How many people live on the island of Orleans?

Mr. DECHENE: It is only an island. There are six big parishes, and the upper part, called Ste. Petronille, just facing Quebec, is a big summer resort. During the winter all the traffic is done over the bridge towards the Sault Montmorency. During the summer from Ste. Petronille the traffic goes to St. Joseph de Levis, Lauzon and Quebec. There is heavy traffic going there. Most of the traffic passes through Ste. Petronille every morning. I think there are over 40,000 people on the island.

Mr. MEIGHEN: Permanent residents?

Mr. DECHENE: Yes, six big parishes on the island, 21 miles long, four miles from Quebec, and the upper part is a summer resort of great importance.

Mr. MEIGHEN: How many wharves on the island?

Mr. DECHENE: I think there are four.

Mr. MEIGHEN: If there is so much business done there, would it not have paid the private owners to have made a charge for the wharf? What I do not understand is the anxiety of the people there not to make any money if possible out of their industries.

Mr. KING (Kootenay): The private owners did make a charge, but I understand they had difficulty with the public who were not being accommodated, and there was great complaint.

Mr. MEIGHEN: Who were the private owners?

Mr. KING (Kootenay): La Cie Maritime de Levis.

Mr. MEIGHEN: Perhaps if the hon. member for the riding would tell us it would be simpler.

Mr. DECHENE: I am not the member for the riding. It is in the constituency of the hon. member for Quebec County, (Mr. Lavigueur) but it is pretty near my riding. There is a ferry boat plying between Quebec, Lauzon and Ste. Petronille every two hours during the summer season, and along in the fall all the traffic of the island is done through Ste. Petronille. The company is La Cie Maritime de Levis. They have two boats plying there.

Sir HENRY DRAYTON: That is the company that owns the boats?

Mr. DECHENE: Yes.

Sir HENRY DRAYTON: The company that does the business own this wharf. They have two boats and look after the whole accommodation. They did that, supplying their own wharf. Then we buy them out paying them $29,000, and we are now going to spend

a whole lot more in fixing up this wharf. How do they stand with us? What are we charging them?

Mr. KING (Kootenay): They are not operating.

Sir HENRY DRAYTON: The boats are still running and it is still the same company.

Mr. DECHENE: Boats are running there but I do not know to whom they belong.

Sir HENRY DRAYTON: Or did we buy the boats at the same time? I think the $29,000 would be enough to include the boats as well.

Mr. DECHENE: Oh no.

Sir HENRY DRAYTON: Perhaps that part of the bargain was overlooked. Is it not a fact that this wharf was owned by this company which looked after the traffic? While in the first instance, before we expropriated, the company had to look after this wharf, at least to the extent of being able to carry on business, we pay them $29,000 for the privilege of relieving them of that obligation, and we are not charging them anything now; or if we are charging them anything, how much?

Mr. KING (Kootenay): This wharf is probably the most important wharf on the island. It is in the proximity of Quebec city, and the representatives of the department thought that the public were not being served, and that this wharf should be under the control of the government of Canada. The wharf was bought and is an important wharf, not only to the community of the island, but to those districts adjoining the city of Quebec, especially the city of Quebec, where many people who are residents of Quebec go back and forth to the island of Orleans.

Mr. BOYS: Is it suggested that the owners of the wharf do not want to part with it? It is hard to understand why they should object. Previously they constructed the wharf and had to pay for the maintenance of it.

Mr. KING (Kootenay): They do not want to dispose of their wharf.

Mr. BOYS: I cannot for the life of me see why they would not, because the situation is that they are relieved of the repairs to the wharf in the future, they get $29,000 and the free use of the wharf in an improved condition, and the only answer given by the minister is that the public are being better served. I cannot see why in the world the company desiring to do business would not be glad indeed to have both freight and passengers using the wharf. It seems to me the reason given by the minister is not a substantial one. It looks like a mighty good bargain for the company. Not only has the government paid them $29,000, but it seems to me they have paid the difference between $29,000 and the amount of this vote, the difference being repairs. Therefore, I cannot see how it can be argued for a moment that that is not a deal which ought to satisfy the owners.

Mr. KING (Kootenay): The owners were not anxious to sell. Service was not being given to the public; we took over the wharf and as soon as the wharf is in a state of repair so that it can be handed over to the Marine department, a charge will be made by that department.

Mr. MEIGHEN: The charges made by the Marine department are purely nominal.

Mr. KING (Kootenay): They have not been changed recently.

Mr. MEIGHEN: No, but the wharf was not bought before. Nobody will dispute the fact that from the size the hon. member (Mr. Déchène) gives for the island and the traffic that there is there, even if it is only holiday traffic, tourists, there should be a good substantial wharf. But apparently there was one.

Mr. KING (Kootenay): It was in a very bad state of repair.

Mr. MEIGHEN: The minister made war against the owner and declared that the government was going right in to take his wharf away from him. I know there must have been a few sad hours in the directorate of that company when it was made known that the minister was going unmercifully to take their wharf away from them. There would be weeping and gnashing of teeth in that directorate. This was a wharf which they had had for many years and which they had had to maintain in a state of repair, and the minister was wanting to take it away from them at a cost of $29,000. Therefore, they would not have a dollar of repairs; they would get the use of the wharf at a nominal price, or, perhaps, nothing—nothing up-to-date—and they would have the $29,000 in their pockets.

Mr. KING (Kootenay): They wanted sixty.

Mr. MEIGHEN: Certainly. Who would not? If they knew the minister, they cer-

tainly would work hard for sixty. Why are we in an aggressive campaign reaching out to get all the wharves we can and to take them from private owners? Are there any wharves left in the country that the minister can still get his hands on? Surely we have enough responsibility putting wharves where they are needed without tearing after the ownership of men who are ready to keep them. No man in the world having a wharf would deny the public the use of it for a fee. How many more expropriations has the minister made in order to get more to do and more money to pay out?

Mr. KING (Kootenay): There is not very much in my right hon. friend's criticism. This wharf is an important one to the people, not only of the island of Orleans, but to the city of Quebec and the adjoining country. That is shown by the traffic and the people who go over it. The wharf is in a very bad state of repair. It was not serving the public. Representations had been made that we should take it over. You cannot say that one section of the people should have a public wharf and another section should not. My right hon. friend says that we are taking over wharves. I am glad to say that we are taking wharves on water. Heretofore, there have been wharves taken on dry land.

Mr. MEIGHEN: Is the hon. member referring to the sawdust wharf?

Mr. KING (Kootenay): No. One of more recent date. If he wishes to push that, I will tell it.

Mr. MEIGHEN: Tell us now.

Sir HENRY DRAYTON: What is this horrible thing?

Mr. KING (Kootenay): I do not like that manner of criticism. My right hon. friend is familiar with the city of Quebec and the island of Orleans. He knows it is an island of great richness, great agricultural wealth.

Mr. MEIGHEN: I have said that.

Mr. KING (Kootenay): It should be properly served, and the taking over of this wharf will serve a public interest there. The arrangements which the department has made are proper and fair and there should be no great criticism.

Mr. MEIGHEN: Does the department intend that these wharves shall be self-sustaining?

[Mr. Meighen.]

Mr. KING (Kootenay): The government of Canada has never contended that, and when I say that, I say it of all governments.

Mr. MEIGHEN: To about what percentage will it be self-sustaining?

Mr. KING (Kootenay): Once the wharf is in shape to be transferred to the Department of Marine and Fisheries, I have no doubt a fee will be charged to the steamers that go there.

Mr. MEIGHEN: That would not pay for doing the morning sweeping.

Mr. KING (Kootenay): I quite agree with my right hon. friend. I do not know why there should be so great a desire just now for a change of policy on the part of my right hon. friend.

Mr. MEIGHEN: I am complaining, not of a change of policy, but of the taking away into the government's possession of a wharf that was there already. The explanation given was that the man was not letting the public use it. That is no explanation because no man would act in that way unless he was anxious to lose all the money he could. If the wharf is there, it is in his interest to keep it in shape for service and to give the service. What I do not understand is the policy of expropriation.

Mr. KING (Kootenay): The matter was canvassed very carefully and it was considered to be in the public interest that the wharf should be taken over.

Sir HENRY DRAYTON: Who are the directors of this company?

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

Sir HENRY DRAYTON: One might learn more from that than from the name of the company.

Mr. KING (Kootenay): This matter was dealt with originally last year and the year before, I think. My notes are deficient tonight in regard to the ownership and the directorate.

Mr. BOYS: What was the offer made by the department before expropriation proceedings became necessary?

Mr. KING (Kootenay): I have not that information in the notes of this year. I expect it will be somewhere in the neighbourhood of the award. I know our estimate of value was very much below the valuation placed upon the wharf by the owner, and the matter was referred to the Exchequer court and a price arrived at.

Mr. BOYS: What did the department consider to be the value, even if the minister had not the information as to the actual offer made?

Mr. KING (Kootenay): I think we had the full information last year when the matter was before parliament. I do not know whether it was discussed or not. The history has not been carried forward in our notes.

Mr. MEIGHEN: Was there no other place where a wharf could have been built? If the department had shown a marked desire to build another wharf at some other point, the owners would have been willing, perhaps, to give them the wharf for nothing.

Mr. KING (Kootenay): I understand that the engineer's report was to the effect that this was the best place for a wharf.

Sir HENRY DRAYTON: The people who carry on this steamship service, before expropriation, would require a place at which to land their boats, to take their passengers on and put them off. They had this wharf and were maintaining it. They have been paid $29,000. The government have spent, or intend to spend, $23,100 in connection with repairs over and above the $29,000. At the present date the owners have the $29,000 in their pockets and they have the wharf service as before.

Mr. KING (Kootenay): That is practically true except that there is an appeal to the Supreme court from the decision of the Exchequer court. As regards the expropriation of this wharf, it was not gone into lightly at all. The whole situation was thoroughly canvassed. They were not allowing the general public to use the wharf, and representations were made by the people there that they should have a public wharf at that point. I cannot see why these people should not have the same facilities as others.

Mr. BOYS: I cannot reconcile the minister's statement that these people had a wharf and passenger boats with his assertion that they would not allow the public to use this wharf. That seems so repugnant to business principles that it requires some explanation.

Sir EUGENE FISET: I think I can give the explanation. The macadamized roads on the island were completed by the provincial government only about two years ago and there are about forty miles of extremely good highways throughout the island, so that the motor traffic that has developed there during the last three years or so is simply tremendous. This wharf was owned by a private company who of course were able to land passengers from their own boats, but no boats owned by anybody else could approach the wharf. There is an enormous traffic by schooners, motor launches and yachts that ply between this point and Quebec and the company were unwilling to have the passengers landed at this wharf. Furthermore, there were no facilities to accommodate the motor traffic, which is considerable. In view of all these facts therefore numerous petitions were forwarded to the government requesting that the wharf be purchased in the interests of the general public.

Mr. BOYS: Does the hon. member suggest that the people engaged in this varied traffic are really anxious to do business at this wharf?

Sir EUGENE FISET: Only the company's boats have been allowed to land passengers there.

Mr. BOYS: The suggestion is that people want to do business at the wharf and that the company will not allow them to do so. Would it not be a good idea for the government to build some other wharf? I understood the minister to say that they considered the amount awarded too high and did not offer anything like so much.

Mr. KING (Kootenay): I did not say that.

Mr. BOYS: Did the Exchequer court award something for the wharf and another sum for loss of trade sustained? Perhaps the minister has the judgment and can give us some idea of the findings of the court.

Mr. KING (Kootenay): I said I had not before me the amount offered but that apparently there was a great difference between the department and the owners and that the matter had gone to the Exchequor court. The court awarded a certain sum which the owners were not prepared to accept and I understood from my notes that they were appealing to the Supreme court. I think the main consideration is to convince the committee that this wharf is a public necessity and if I can do that then I do not think there should be any reason for not voting the item.

Mr. MEIGHEN: We were convinced of that long ago.

Mr. KING (Kootenay): Then there ought to be no further discussion of the matter. The people of the district were not properly served under the old conditions, and as a matter of fact the owners were allowing the

wharf to go into disrepair, as will be seen by the amount the government has spent. They were not giving to the general public the service that was needed and complaints were received from the island to this effect.

Mr. BOYS: We should have the judgment of the court in this matter. I want to find out whether there was an award for loss of business as well as for the value of the wharf.

Mr. MEIGHEN: Does the hon. member (Sir Eugene Fiset) know of any merchants in the district who refuse to sell their goods for cash? The explanation given by the hon. member for Rimouski—

Sir EUGENE FISET: Is true.

Mr. MEIGHEN: I was not referring to its veracity at the moment; I was merely commenting on the marvel of the thing. I cannot understand why people would be there to do business and would refuse to do it.

Sir EUGENE FISET: The people could not afford to buy other boats.

Mr. MEIGHEN: Perhaps they could not run any more boats. But here they have a wharf, a money-making enterprise, and the minister tells us that the company allowed their own boats to use it but not the motor boats of other people, nor automobiles. Why would they not allow this traffic to use the wharf? It seems so foolish. Can the hon. member give an explanation as to why they would not?

Sir EUGENE FISET: These people were using launches instead of the company's boats. That is a very simple explanation.

Mr. MEIGHEN: But could the company not charge a fee for the use of the wharf? I can understand that they would not want to provide facilities for nothing.

Sir EUGENE FISET: A nominal fee of five or ten cents would not pay them.

Mr. MEIGHEN: But they could fix a higher fee. I think the most obvious thing is that a lot of money has gone into the pockets of the company; and that is the chief difference between the condition now and that of three years ago. There is a big hole in our treasury and a fine wad in their bank account. Will the minister undertake to bring down, the next time his estimates are under consideration, a statement of the amount offered by the government together with a copy of the judgment of the court?

[Mr. J. H. King.]

Mr. KING (Kootenay): I will bring it down; I regret it is not here to-night. I had a statement in my notes on the negotiations leading up to the purchase.

Item agreed to.

St. Roch des Aulnaies—wharf repairs, $1,250.

Mr. MEIGHEN: This is a new item.

Mr. KING (Kootenay): This is for the repair of a wharf in the L'Islet district.

Mr. MEIGHEN: Is this just ordinary decay?

Mr. KING (Kootenay): This vote is to renew 5,000 feet of stringers and 7,000 feet of flooring and to provide 80 cubic yards of stone filling.

Item agreed to.

St. Ulric (rivière Blanche)—wharf repairs, $2,200.

Mr. MEIGHEN: Where is this?

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

Mr. MEIGHEN: This is not the celebrated Matane wharf?

Mr. KING (Kootenay): No.

Mr. MEIGHEN: Has the minister decided that he has wasted enough money on the Matane wharf, or is there a vote for it somewhere?

Mr. KING (Kootenay): It will come later.

Mr. MEIGHEN: The minister is waiting for the supplementary estimates. It is rather unfortunate that he cannot get hotter weather than this for the supplementary estimates.

Item agreed to.

Ste. Victoire—wharf repairs, $2,950.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): This is in Richelieu.

Mr. MEIGHEN: What is the trouble here?

Mr. KING (Kootenay): The work will consist of rebuilding from the low water level the stone-filled crib high level section of the wharf and renewing part of the stringers and the flooring of the lower section. All the timber and lumber of the high level wharf is gone and a complete reconstruction is urgently needed.

Item agreed to.

Sabrevois—wharf repairs, $1,100.

Mr. MEIGHEN: Where is this?

Mr. KING (Kootenay): This is in St. John and Iberville.

Mr. MEIGHEN: What is the matter with this structure?

Mr. KING (Kootenay): The vote is required to repair the approach to the wharf.

Item agreed to.

Sorel—harbour improvements, $75,000.

Mr. KING (Kootenay): This amount is required towards improvements proposed to be completed at Sorel in the next five years. These improvements will consist of the reconstruction of the remaining 587 feet of high level wharf at a cost of $33,000, besides redredging to 8 feet of the Lanctot basin at the rear of the high level wharf. This is an important wharf not only to the district but also to the Department of Marine, being its headquarters.

Mr. LEWIS: What is the total to be spent on it?

Mr. KING (Kootenay): For the reconstruction of the 587 feet there will be spent the $33,000 I have mentioned, while the dredging will cost $56,000. That is the estimate for this year.

Mr. MEIGHEN: That is $90,000.

Mr. KING (Kootenay): $89,000.

Mr. LEWIS: That is for the last two years?

Mr. KING (Kootenay): No, for this year, and it is what we expect to expend at that point to reconstruct a portion of the high level wharf and to dredge the basin.

Mr. MEIGHEN: How much was spent last year on the same thing?

Mr. KING (Kootenay): Last year we spent $30,800.

Mr. LEWIS: Why is there a $10,000 revote this year?

Mr. KING (Kootenay): When the estimates were made up we did not anticipate the whole vote would be expended. It was expended and there is no revote.

Sir HENRY DRAYTON: Then this estimate must be wrong if what my hon. friend says is right. Is the situation this, that last year $30,800 was spent? The estimate, as tabled, shows that only $20,000 was spent.

Mr. KING (Kootenay): As tabled, yes.

Sir HENRY DRAYTON: That is all I have before me.

Mr. KING (Kootenay): I explained to my hon. friend that after the estimate was made up there was a further expenditure made, more than the department anticipated.

Sir HENRY DRAYTON: Then the result is that we are asked for $75,000 new money this year?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: When the $30,000 was asked for last year what were we told we would have to spend this year?

Mr. KING (Kootenay): In 1924, 475 feet of the wharf was built fronting the river St. Lawrence, and a nineteen foot length of the down stream end was rebuilt in concrete. The work started in October and progressed very rapidly, and that is the reason for carrying the revote. A total of $30,800 was expended last year.

Sir HENRY DRAYTON: That is not what I asked my hon. friend. The statement last year was not to the effect that the money voted last year would be implemented by a further vote of $75,000 this year. If my hon. friend says it was, I should like to have particulars.

Mr. KING (Kootenay): I have not before me the discussion which took place on this item last year.

Sir HENRY DRAYTON: What was the proposition last year? My hon. friend has that in his notes.

Mr. KING (Kootenay): To do what we have done here. The work was carried out as proposed last year, but it advanced more rapidly than we anticipated when the estimates were made up. That is why there was no revote.

Sir HENRY DRAYTON: Mr. Chairman, it seems this is unfortunately what sometimes happens: After we get along with the work for the $30,800, we are in for another $75,000 for the next crack.

Mr. KING (Kootenay): Oh no.

Sir HENRY DRAYTON: Is this the last expenditure, or what is going to happen next

year there if the election has not taken place in the meantime; will the vote be $150,000 next year?

Mr. CARDIN: Mr. Chairman, I think I can offer a word of explanation. The money expended first was for the cement wharf, the main portion on the St. Lawrence, and the other expenditure, I understand, covered the timber work which was undertaken later on behind the wharf alongside the basin which was referred to a few moments ago. This basin has been dredged to take care of our boats which are operated in connection with the lighthouse service by the Department of Marine and Fisheries. They are placed there during the winter to protect them against ice.

Mr. FORKE: Was any explanation given last year that a vote of $90,000 would be required this year?

Mr. CARDIN: I do not remember the discussion, but I do not think it was mentioned that this year we would have a vote of $75,000.

Mr. FORKE: Is there any chance that next year a further vote will be asked for?

Mr. CARDIN: I do not think so.

Sir HENRY DRAYTON: Is my hon. friend quite sure that he cannot think of anything else to be done there?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Of course, he cannot. His resourcefulness is without end, Mr. Chairman. I am not sure but what he really thinks at the bottom of his heart that he has been a little too kind to his friend the Minister of Marine and Fisheries (Mr. Cardin). With respect to the local situation described by the Minister of Marine and Fisheries. it may be pointed out that there is just the same necessity to protect those boats engaged in the lighthouse service this year as there was last year. It simply amounts to this, $30,800 was spent last year, and here we are asked to vote another $75,000.

9 p.m.

Mr. MEIGHEN: It is $89,000.

Mr. KING (Kootenay): We are asking for $75,000.

Sir HENRY DRAYTON: And it is going to amount to $89,000?

[Sir Henry Drayton.]

Mr. KING (Kootenay): It probably will.

Sir HENRY DRAYTON: Where does the balance go?

Mr. KING (Kootenay): Mr. Chairman, I think my hon. friend knows very well that Sorel is one of the oldest points on the river, and is used largely by the Marine department. During the war years the works there were allowed to go into disrepair. We have not suggested any new work; what has been done is nothing more or less than reconstruction and repairs, and I do not believe that anyone who is familiar with the government use of Sorel would for a moment suggest that the works should be allowed to decay and be abandoned.

Mr. LEWIS: The larger part of this amount is required for dredging, is it not? Has there been any dredging done there in previous years?

Mr. KING (Kootenay): Yes. We are proposing to reconstruct the remaining 587 feet of high level wharf, at a cost of $33,000; to re-dredge to 8 feet the Lanctot basin at the rear of the high level wharf, which gives shelter for the fleet of the Marine department and other boats in that vicinity. There has been no work done except reconstruction at this point.

Mr. MEIGHEN: In previous years there was a great deal of shipbuilding done at Sorel, and things were certainly not allowed to go to rack and ruin by any means. The shipyards were kept in excellent shape and produced excellent vessels. I do not think there is any place in Canada where better work was done than at Sorel. But what is being done there now? From what I hear, it is as dead as the rest of the place since this government came in. I suppose the government is spending some money repairing its own ice-breakers and the like, but is nothing else being done there?

Mr. CARDIN: The work at Sorel is being carried on on a larger scale than it was a few years ago. We have to repair the dredges, for instance.

Mr. MEIGHEN: I do not dispute that we are spending money faster now, but what I wanted to know is what business is being done at Sorel in the shipyards. I know we are spending the money all right.

Mr. CARDIN: We are repairing the dredges and the tugs which are used in the St.

Lawrence ship channel. Extensive and expensive repairs are required to these dredges and tugs in the winter after they have been in service during the summer, and all these repairs are made in the Sorel shipyards.

Mr. MEIGHEN: Is that all that is being done there?

Mr. CARDIN: Yes.

Mr. MEIGHEN: Nothing being built?

Mr. CARDIN: No.

Mr. MEIGHEN: Any chance of building any of the Petersen ships there?

Mr. CARDIN: I think we could build them there, because we have all the necessary facilities. The government fleet which is used on the St. Lawrence ship channel is worth several million dollars, and all these vessels are taken care of and repaired at the Sorel shipyards, so far as the main work is concerned.

Mr. MEIGHEN: The minister is only stating the fact. It is certainly an excellent shipyard, capable of building the very best of ships, or at all events the most practical and useful of merchant ships, but if the minister made any attempt to steer the Petersen contracts there, I am afraid he made a very weak one indeed, because we were assured long ago that the contracts were already let and the boats going to be built overseas.

Mr. KING (Kootenay): I do not think there has ever been any private shipbuilding done there.

Mr. MEIGHEN: Oh yes, and a lot built by the government. The place is competent to do it. All this government is doing is pouring money into places where there is no business to perform. Of course, there is repair work to be done at Sorel, but is that all that is being done there?

Mr. CARDIN: This shipyard is the property of the government, and never in the past have they built ships for any private company. All the ships which have been built in the Sorel shipyards have been built for government service.

Mr. MEIGHEN: There were ships built there under the Munitions Board. Were not the Davies building ships there?

Mr. CARDIN: No. We had another shipyard during the war at Sorel, the Leclaire Company, but it has closed down. It had nothing to do with the government shipyard.

Sir HENRY DRAYTON: It was a commercial institution, and it has gone with other business.

Item agreed to.

Tadoussac (Anse Tadoussac)—wharf repairs and improvements, $10,000.

Sir HENRY DRAYTON: What was spent last year on that?

Mr. KING (Kootenay): The amount spent last year was $4,588. This is a revote of $10,000, and it is required to complete the contract with Messrs, Collin and Beaumont, to construct a cribwork pier 40 feet square, 87 feet from the end of the "ell" of the present wharf, to provide a mooring front of 200 feet.

Sir HENRY DRAYTON: Will that finish all our obligations and put the property in good shape, or is this one of those crumbly properties for which another repair vote will be required next year?

Mr. KING (Kootenay): It is very hard to say.

Sir HENRY DRAYTON: Perhaps the minister will tell me whether the right mix was put in here so that the wharf will stand, or whether it was one of those mixes that will necessitate more repairs next year.

Mr. KING (Kootenay): This wharf is made of timber, not concrete.

Sir HENRY DRAYTON: Then we cannot support a vote on account of a bad mix next year.

Mr. MEIGHEN: What is the matter with this wharf? I did not see it last year but I did the year before, and I do not remember seeing anything the matter with it. A lot of money was spent there last year, and a lot more is to be spent this year. Is this for enlargement? The Canada Steamship boats go there; I do not know whether others do or not, but the wharf seemed all right as far as one could tell who was not an expert.

Mr. KING (Kootenay): In order that the steamer may lie safely alongside we are building a block some distance from the wharf where the steamer will be able to tie up. At the present time the mooring place is not considered safe.

Mr. MEIGHEN: Not safe to tie up to the wharf?

Mr. KING (Kootenay): No. The wharf is too short a structure; there is no room. We are building a block out some distance where the ships will be able to lie, rather than extending the whole wharf. It is in line with the wharf.

Item agreed to.

Trois Lacs—wharf repairs, $2,400.

Mr. MEIGHEN: Where is this place?

Mr. KING (Kootenay): In Beauce county. This is for repairs, to renew face timbers and timber flooring on the wharf.

Item agreed to.

Trois Rivières—shed on wharf, $45,000.

Mr. LEWIS: Why it is necessary to spend this much on a shed? It is not usual for us to build a shed for the people and a wharf too, is it?

Mr. MEIGHEN: What county is this in?

Mr. KING (Kootenay): This is at Three Rivers. This appropriation is required to construct a freight shed on the Bureau wharf. The proposed shed, to meet the requirements, should be 400 feet long, 60 feet wide, and 15 feet high, with concrete foundation, and superstructure of steel, provided with a sufficient number of sliding doors so that a complete train can be unloaded at one time without being obliged to move it forward or backward. There is no question as to the commercial necessity of this shed, and anyone who is familiar with the business activities of Three Rivers will understand the necessity of a building of this kind.

Mr. LEWIS: Will there be any charge made for the use of this shed?

Mr. KING (Kootenay): Yes, the harbour commission of Three Rivers will make their charges.

Mr. MEIGHEN: The ministers may be very laudably anxious to re-elect themselves, but it comes pretty high. Casting my eye over these votes, I see an item of $75,000 for Sorel. I honestly trust the Minister of Marine will see that is not wasted. Also $45,000 for Three Rivers. At Three Rivers the Minister of Customs and Excise is not neglected as far as cabinet influence is concerned. Looking a little further on I find: Valleyfield—wharf reconstruction and dredging, $44,250 altogether. If my geography is right that is a plum that fell into the lap of the Acting Minister of Finance (Mr. Robb).

Mr. GRAHAM: Valleyfield is not in his constituency.

Mr. MEIGHEN: It is not?

Mr. GRAHAM: No.

Mr. MEIGHEN: I think it is pretty close to it if it is not actually in.

Mr. GRAHAM: He lives there.

Mr. MEIGHEN: I was not far out. It would be like the Minister of Railways and Canals looking after Brockville. But the government should not neglect their followers and look after themselves quite so brazenly as this. I will make another search and perhaps I will find some more instances where the ministers, with true political thrift, have looked after number one.

Mr. GARLAND (Bow River): Is the wharf on which this shed stands owned by the government?

Mr. KING (Kootenay): Yes, it is a public wharf owned by the government.

Mr. GARLAND (Bow River): Is there any revenue from the wharf.

Mr. KING (Kootenay): Yes, the wharf was built by the Department of Public Works and is administered by the harbour commission of Three Rivers. This shed is a structure which is essential to the business of the port. Three Rivers, as my hon. friends well know, is a very important industrial centre in the province of Quebec, having a population of 25,000 people. There are very large manufacturing interests located there, and a very large incoming and outgoing tonnage. This wharf is to provide shelter and care for this tonnage.

Mr. BOYS: Is it under the juridiction of the harbour commission of Three Rivers?

Mr. KING (Kootenay): Yes.

Mr. BOYS: Why don't we advance money to them by way of loan?

Mr. KING (Kootenay): That has not been done.

Mr. MEIGHEN: Why has it not been done?

Mr. KING (Kootenay): I do not know. My hon. friend never considered that. At any rate it has not been done.

Mr. MEIGHEN: What "hon. friend"?

Mr. KING (Kootenay): The administration has been under the harbour commission of Three Rivers for many years.

Sir HENRY DRAYTON: I think that arrangement was only put through last year or the year before.

Mr. KING (Kootenay): No, it has been in force many years.

Sir HENRY DRAYTON: Perhaps my hon. friend will tell me when it was put through?

Mr. KING (Kootenay): I am satisfied it was some years ago.

Mr. GARLAND (Bow River): I would like to ask the minister again what revenue, if any, was received by the commission?

Mr. KING (Kootenay): I am sorry, but I have not that information. That would be obtainable from the Marine department.

Mr. GARLAND (Bow River): Can you give any estimate of the amount?

Sir HENRY DRAYTON: One dollar and eighteen cents.

Mr. GARLAND (Bow River): Just about that. Has the minister no estimate?

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

Mr. GARLAND (Bow River): We are going to put up a shed, at a cost of some $45,000, for commercial use, as the minister himself said. Is it to be controlled by any special interest or by the commission itself?

Mr. CARDIN: By the commission.

Mr. GARLAND (Bow River): Is this to be controlled by the commission itself?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): The minister nods his head by way of affirmation. Will any revenue be forthcoming from the use of this shed?

Mr. KING (Kootenay): Yes.

Mr. GARLAND (Bow River): How much?

Mr. KING (Kootenay): I have not that information as I have already stated to my hon. friend. The commissioners, who are under the Department of Marine and Fisheries will administer the affairs of the port and collect the revenue. In some of these smaller harbours there are commissioners who act without salary under the direction of the department. I think that is true of the harbour commissioners of Three Rivers. They are an administrative board, who act without remuneration and report to the Department of Marine and Fisheries. There are other instances in which the same course is followed, as at Belleville, Ontario, and I have also in mind Westminster, British Columbia. There may be others.

Mr. GARLAND (Bow River): The commissioners are not paid any direct salary as the minister states?

Mr. KING (Kootenay): No.

Mr. GARLAND (Bow River): Could the minister tell the committee what their total expenses were last year?

Mr. KING (Kootenay): No, I have not that information.

Mr. GARLAND (Bow River): They are no doubt charging some expenses up to the administration.

Mr. KING (Kootenay): I do not quite understand my hon. friend?

Mr. GARLAND (Bow River): Are these men doing this work without any charge whatever—not charging for their expenses or anything else—or does the minister know?

Mr. KING (Kootenay): So far as salaries are concerned they are not receiving any.

Mr. GARLAND (Bow River): I understand that, but eliminating the salary feature, do they receive any expense money,—any allowance for expenses?

Mr. KING (Kootenay): None that I know of.

Mr. GARLAND (Bow River): This is another of the votes where we find wharves and sheds, and all sorts of special privileges, granted to certain districts for commercial use. I am opposed to the government continuing that policy! Let the commercial interests put up their own wharves, unless it be a national wharf at a national port.

Mr. KING (Kootenay): This is a national wharf at a national port. I do not think that private interests should be allowed to erect

wharves or sheds of this character. They should be for the general use of the public; that is the intention.

Mr. GARLAND (Bow River): Yes, but the minister is getting no revenue out of it. He calls this wharf, located at a point where there is a population of 25,000 people, a national wharf. It may be so in the strictly technical meaning of the term; but I object to the government building wharves for private enterprise. I am opposed to it, and I think we ought to stop it sooner or later.

Mr. KING (Kootenay): My hon. friend misunderstands the whole situation. This is not a private enterprise; it is for the public use; not only for the use of the people of Three Rivers but the people who ship coal, sulphur, and various products into this important centre. It is a general public wharf. As far as the harbour is concerned it is under the administration of the commission, a subsidiary body, who act under the control of the Department of Marine and Fisheries. They collect the dues and report to that department.

Mr. GARLAND (Bow River): The government might be justified in pursuing this policy in the case of a national wharf of any importance; but in such a case as this it should make a charge for the use of the wharf or the use of the shed. A revenue should be derived, and it should pay a little better than the Quebec harbour, for example, has paid. I do not like this sort of pap-feeding; it has been going on for too long.

Mr. GARDINER: Could the minister give any idea as to the amount of revenue collected at this port last year?

Mr. KING (Kootenay): No, I have not that information.

Mr. GARDINER: Is there any way of getting that information?

Mr. KING (Kootenay): Yes we will have the information brought down.

Mr. GARDINER: It surprises me that a minister of the crown should come before this committee and ask for such a large sum of money as $75,000 and not have under his hand the most ordinary information that the committee requires. I am sure it would expedite the business of the House if ministers would see to it that such information is produced hereafter.

Mr. KING (Kootenay): My hon. friends seem to have got a misconception of this whole harbour and wharf situation. There are only two harbours in Canada which are paying their way to-day, the harbour of Montreal and the harbour of Vancouver. The harbours of Halifax, St. John, Quebec, Three Rivers, Toronto, Fort William, Westminster are all public charges and have been for some time. The idea has been growing up within the last week or ten days this government should go out and assess the public for the use of these conveniences. I do not see why there should have been—

Mr. FORKE: It would not be safe to do it now.

Mr. KING (Kootenay): It would not be safe to do it and no government will do it, and my hon. friend knows it. It would not be fair to the people of Canada to do it either. When confederation was entered into there was a certain burden placed upon the provinces and a certain burden placed upon the Dominion. This is one of the services, the maintenance of harbours and harbour works, that has been placed upon the Dominion.

Mr. FORKE: That might be right enough, but the minister might have some idea of what the revenues really amount to.

Mr. KING (Kootenay): I am not so sure about that. The Department of Public Works has not the administration of the harbour. It is true we have charge of the construction of the sheds. I will be very glad to bring down the estimated revenue that would come from a shed of this kind under the administration of the Department of Marine and Fisheries, but the Public Works department, so far as this is concerned is a department of construction. No one who has any knowledge of the volume of trade in and out of Three Rivers, and the importance of water transportation to that city and to Canada, will question the necessity of a shed of this character at that point. There is probably no larger or better industrial centre in Canada than Three Rivers. One has to look at the revenue received to appreciate the volume of trade. We find the following figures showing the traffic on this wharf:

Inland

Inward		Outward	
3,230	cords pulpwood.	26	tons hay.
263	tons hay.	425	tons concrete beams.
50	posts.		
235,000	shingles.	2,511,172	general cargo.
8,762,300	lbs. gen. logs.	1,468,433	lumber.
1,746,102	ft. B.M. lumber.	95	coal anthracite.
3,645	bush. apples.	180,000	coarse sand.
118,600	bricks.		
1,750	cords firewood.		

United States

9,500	lbs. cores (paper.)	1,752,853	ft. B.M. lumber.
3,612	tons anthracite.	253	tons pulp.
1,210	tons sand.	4,170	tons paper.
1,357	tons sulphur.		

Ocean Traffic

105,120	tons bituminous coal.	1,766,629	ft. B.M. lumber.
7,052	tons pig iron.	6,536	tons paper.
27,718	tons sulphur.		
4,830,000	gals. oil.		
7,230	tons salt cake.		

The revenue at that port is as follows:—

Import duties..	$383,504 43
Excise taxes..	410,035 12
Excise duties..	3,034 04
Sunday collections..	315 00
Total revenue..	$796,888 59

Mr. FORKE: I would not deny the importance of the port, and it may be absolutely necessary to spend this amount of money, but it is quite reasonable that we should know the policy of the government in reference to ports, whether it is expected the public should pay for the use of the port, or whether the government should provide accommodation for the use of the general public. If we had the revenue, we would have some idea of what the policy of the government was.

Mr. KING (Kootenay): There will be a moderate charge for the tonnage going through the sheds.

Sir HENRY DRAYTON: The minister made a general statement in connection with harbours, and I am going to say he is fifty per cent right, and that is a good average for him; but he is not more than fifty per cent right. We have very few harbours which are, in the strict sense of the word, national harbours. By that I mean harbours which are run by commissioners under the special act, where the commissioners are really the agents and servants of the government and where the harbour is financed entirely by the government. We have Montreal and we now have Vancouver. We have Quebec and we have Three Rivers. There may be some more but they are not present to my mind just now. The hon. member for Rimouski (Sir Eugene Fiset) has another name to give. Will he kindly favour the committee with that name?

Sir EUGENE FISET: Rimouski.

Sir HENRY DRAYTON: I am afraid my hon. friend is wrong. The minister mentions St. John. That is not one of those harbours at all. That is a harbour which in part is looked after by the municipality and in part by government construction. The government have not sole control of it at all. Some day it may be put in the same position. While the government has spent a great deal of money there, the municipality has also spent money, and that harbour is in an entirely different position and my hon. friend must know that. If he does not realize that, let me take him to Toronto, where more money has been spent on the harbour by the municipality than has been spent by the government; and therefore it is not in the same category. But we have harbours which are supposed to be run by the commissioners simply as agents for the government which are in that category. The minister was quite wrong when he said that this harbour was brought in this year. I said I thought it was last year or the year before. I sent for the statute, and I find the Three River Harbour Commissioners Act was assented to on 30th June, 1923.

Mr. KING (Kootenay): That was an amendment.

Sir HENRY DRAYTON: I see nothing to show it to be an amendment. There is no other act referred to, and, as the Law Clerk is usually right, I assume there is no other act. I am pretty sure I am right.

Mr. KING (Kootenay): I am not quite sure my hon. friend is right. I am satisfied there was some form of harbour commission there. They may not have been incorporated. I remember very well when that legislation was passed, and I am satisfied there was a commission in some form before that.

Sir HENRY DRAYTON: The minister is going back to that position, and relatively I admit he is fifty per cent right. Of course there was a so-called municipal harbour commission before that, but there was no commission of the character of that which they have in Montreal, Quebec and Vancouver until last year, and my hon. friend the Minister of Customs, with very laudable ambition, put Three Rivers on the map. I want to say at once in connection with this vote that there are some good things about it. One of the good things is that this is to be put on the map and called the Bureau wharf The name is a good one and it has that point. I am going to say another thing at once, and that is that there is a good deal of activity in Three Rivers. It is a first rate little industrial section, and it is fortunately one of the sections where the blight-

ing hand of the government has been stayed by the Minister of Customs and nothing has been carried on there by which Three Rivers has been hurt by the government. Of course that is to be expected, because my hon. friend is the Minister of Customs and looked after Three Rivers with a fatherly care and it is not in the same position that certain other places are; but we really ought to have some way of handling these things, so that we will know what we are doing and how much money has been spent for one particular purpose. This part now is in the hands of a fully empowered Dominion harbour commission backed up by the statutes and by-laws, and by the authority of the hon. Minister of Customs, and under the aegis of the hon. Minister of Marine and Fisheries. I notice that we have all the general powers given, and in addition we have a special clause inserted enabling the Minister of Customs and Excise to exercise a fatherly control over these commissioners as he does with great success over everything at Three Rivers. I notice, for example, that the collector of customs at Three Rivers may look after the collection of the tolls. I also notice that the Minister of Marine and Fisheries has the usual jurisdiction over this commission. Therefore, the question as to how much money is being got out of this should be directed to the Minister of Marine and Fisheries rather than to the Minister of Public Works. I think our genial friend the Minister of Marine and Fisheries knows all about this. This commission is his commission. It is under his fatherly care. He knows what the rates and the tolls are, and he will know how much money is coming in. Perhaps he will be kind enough to tell us that. He might also at the same time tell us why not very much confidence is being reposed in the harbour commissioners his government has appointed. Why is it that those harbour commissioners are not to be trusted to look after their own business? Why is it that it is perfectly safe to let $5,000,000-odd loose at Quebec in the hands of three commissioners there, but it is a bad thing to let the three commissioners at Three Rivers look after $45,000? Why is it that in dealing with one commission we have an act and special provisions in that act, and that in this case we merely have a vote? There may be some perfectly good reasons, but the committee is entitled to them.

Mr. CARDIN: I think the government has all the reason in the world to have confidence in the present harbour commissioners at Three Rivers. They are men of outstanding reputation, respectable men, men who have made their mark and shown their business ability in their particular line. I understand that we are proceeding differently in this case because we are following a practice. Everything which has been done prior to the present time in regard to the harbour of Three Rivers has been done through the Public Works department, and I understand that we are following the same practice which has been followed for many years. Personally, I would be quite ready to treat the harbour commissioners of Three Rivers in the same way as we are dealing with the harbour commissioners of other ports in Canada. But I think the difference in practice is due to precedents and to the fact, as I have said, that all advances made prior to the present time have been made by the Department of Public Works.

As regards the administration of the harbour, it has come under the control of the Department of Marine and Fisheries by the act to which my hon. friend referred a moment ago. Those harbour commissioners are supposed to make a report to the Department of Marine and Fisheries. I cannot give by memory any figures which may be included in the report by those commissioners, but I shall be glad to bring to the House all the information we have in the Department of Marine and Fisheries in regard to the activities of the port of Three Rivers under the jurisdiction of the harbour commission. If the information is complete in the department, I shall be quite ready to bring it down at the next sitting of the House.

Sir HENRY DRAYTON: I am quite sure my hon. friend wants to be fair about this. He will see that he cannot talk about precedents here. Everything was changed two years ago.

Mr. CARDIN: I admit that.

Sir HENRY DRAYTON: If we had been going on as we did prior to two years ago, we would have been going on all wrong. Just as soon as that act was passed, we erected the commissioners into a legal entity. We placed in the hands of that legal entity all the property within the confines of that harbour as defined in the act. It became their property for the purpose of the trust which they have to administer. When that takes place, they have to be debited with, I would not suggest a severe or high valuation, but a fair valuation of the property handed over to

them. That is something which is always done in connection with corporations of this kind. I think the minister administering the act will absolutely agree with me. It also follows that this shed when built becomes their property under the act. It is not the property of the government at all. In the same way, following the law, a balancing charge ought to be made to the commission for the amount of money which that shed represents. I think my hon. friend will agree with me as to that. Under the circumstances we have none of these things at all. We have at the present time a harbour commission that apparently have nothing charged against them. We have a harbour commission that, although having the legal fee to this harbour, although supposedly acting as a separate legal entity exactly the same as the harbour commissioners of Montreal are acting, still get their business done for them by the country without any expense to them. My hon. friend will see at once that that is the position. Either one thing is right or the other is. Under the act which is in force, which appears to me to follow—and my hon. friend will correct me if I am wrong; I have not had an opportunity to go over it carefully because I sent for it just after the statement of the Minister of Public Works—the general law as to the other commissioners, it is absolutely impossible to say that both these courses of action are correct. One must be wrong, and surely we ought to have similarity of treatment under acts similar in character. We ought to have similarity in charges and the like. We do not have that. Here is something that was done in connection with this act and which I pointed out when the act went through. The former volunteer commission were working, as I recollect, without salary, and a special provision was inserted in the act when it was being put through to enable these commissioners to be paid. Section 5, subsection (4) provides:

> For their services, the president and the other commissioners may be paid out of the revenues of the harbour,—

That is their revenues, not the country's revenues, the revenues that they will be collecting.

> —such remuneration as the Governor in Council may determine.

It is reasonable to have, on the one hand, provisions of this kind and character and, on the other, to be having investments made through estimates by the Department of Public Works without the slightest charge being made to those commissioners? I think the Minister of Marine and Fisheries will have to look into this very quickly because it seems to me there is an absolute disregard of the statutory provision.

Mr. SUTHERLAND: The estimates would indicate that this is a new vote this year. In looking over the Auditor General's report for the past year, I find there was an expenditure of $71,415 on this wharf for the year ended March 31. Therefore, I think the request made by the hon. member for West York (Sir Henry Drayton) is a very reasonable one that we should have some information as to the revenue received at this point. That was a very large expenditure at that time, and now we have an expenditure of $45,000 for a shed at this point. I would like again to protest against the difficulty in obtaining reasonable information from members of the government when they are asking to have their estimates passed. I think it emphasizes the need of a committee of this House to revise estimates before they are presented to parliament so that information will be available to facilitate the business of the country.

Mr. KING (Kootenay): I have no objection to bringing down the information. My hon. friend is wrong in the statement that $71,000 was spent last year; as a matter of fact that sum was spent in 1923-24. In 1924-25 we spent $8,885 and the exact amount the year before was $71,892. Last year there was a reconstruction of what is known as the Bureau wharf. As regards the shed, the other night I undertook to give certain information with reference to the revenues collected at Chicoutimi. When the Chicoutimi basin item was under discussion on May 29, I gave two sets of revenue figures as follows: First, $145 for 1922 and $240 for 1923; second, $4,928 for 1921. $5,638 for 1922 and $7,818 for 1923. As these figures did not appear to agree, I promised to have them verified at a later date.

I may now say that the smaller figures represent harbour dues collected by the harbour master, in those years, from ships entering the harbour, while the larger amounts show the revenue received by the wharfinger for goods passing over the wharf. Both sets of figures are correct, one representing harbour dues and the other wharfage revenue. I think the question raised is worth investigating and we will have a return made showing the revenues collected from these various works.

Sir HENRY DRAYTON: The minister might supplement that by showing the expenses, so that we may know what the net revenue is.

Mr. KING (Kootenay): The net revenue in some of these cases will not be so large.

Sir HENRY DRAYTON: But it is the facts that we want.

Mr. KING (Kootenay): At Chicoutimi there has been a steady increase during the last two or three years and the net revenue would not be seriously affected.

Sir HENRY DRAYTON: Would the net revenue there be anything like what the minister indicates?

Mr. KING (Kootenay): It would not be materially affected. My hon. friend is not serious when he asks for all the expenses.

Sir HENRY DRAYTON: It costs money to collect these revenues; there must be a staff with necessary upkeep involved. Of course I am perfectly serious; I want to know what the net revenue is.

Mr. KING (Kootenay): The net revenue over operating costs? The wharfinger of course would be paid a commission on the collections, which would be a comparatively small amount. I will see that the committee gets that information.

Sir HENRY DRAYTON: The Minister of Marine (Mr. Cardin) has not told us how he is going to straighten out the tangle under his own act. I do not know whether it should be a question for the courts or for the Auditor General or for a bill of complaint, or what. But surely the matter should not be allowed to go on in this way.

Mr. CARDIN: The practice that is now being followed is not a new one. In the port of Montreal as well as at Vancouver and other ports under commissions, money has been spent by the Public Works department, and not later than last year parliament approved of an item of $500,000 to be expended in the port of Quebec by the Department of Public Works, the amount having been voted in the estimates of that department. And this practice has been followed in many cases. I quite agree with my hon. friend that perhaps it might be more proper to have the money advanced to the harbour commission in the form of a loan as we are doing this year in the case of Quebec and as we have done in the past for Vancouver. Possibly, I say, it might be better to proceed in that way; but the practice of voting money through the Public Works department to be spent on harbours under the control of commissions is not a new one. It has been followed on other occasions.

Sir HENRY DRAYTON: First I will refer to an interjection which the Minister of Public Works (Mr. King, Kootenay) made in an undertone while his colleague was speaking; he did his best to get the Minister of Marine and Fisheries to say that the same practice had been followed in Toronto as well. But the Minister of Marine being wiser ignored the suggestion. The reason is perfectly obvious. As I pointed out a little time ago to my hon. friend, who does not pay much attention to these things, the conditions in Toronto are absolutely different, inasmuch as the harbour works there are directly the property of the city.

Mr. KING (Kootenay): Supported by the Dominion government.

Sir HENRY DRAYTON: The city puts up a great deal more money in connection with the harbour than does the Dominion government; and the harbour works there are not under such an act as this any more than the harbour of St. John comes under any similar act. The question has come up time and again whether St. John should not be under a regular act such as applies to Montreal and Quebec, but so far this has not been deemed advisable. Now, the Minister of Marine says he is following precedent in this matter. I should like him to point out any instance in which this has been done in relation to harbours of this class. Has it been done in connection with the harbour of Vancouver, the harbour of Montreal or the harbour of Quebec prior to this government's coming into office? This would be one way in which the obligations of the Quebec Harbour Commissioners could be improperly kept down. And I am not saying that it was not done last year, although that does not make it any better; indeed, it makes the Quebec harbour situation so much worse than the statements brought down would show. With a friendly government they have the Department of Public Works spending for them half a million dollars, and if that is precedent it is precedent that we should forget as quickly as possible. If my hon. friend knows of any other instance of the kind we had better hear about them and have the

matter straightened out. If our accounts in connection with our harbours are wrong—as they will be if we are going to allow work to be done by the Public Works department without charging it to the harbour commissioners in their books—then there is no good having accounts at all; we might as well put an end to the whole thing. In other words, an account to be of any use must be accurate, and it is not accurate if the country, through other votes, makes additions to the property of the harbour commission without charging it to them. I submit, Mr. Chairman, there should be regularity in connection with this question. Under the act of two years ago, Three Rivers got a full government endorsation and became exactly the same as Montreal, and therefore should be governed by the statute. The minister may have forgotten about the change. I hope he will have this put upon a proper business basis. I think he might also let us know to what extent the power of paying salaries and the like is being exercised under that act. In the meantime, as far as I am concerned, the town can be happy with the addition of the Bureau wharf.

Mr. KING (Kootenay): My hon. friend has explained that there is no uniformity in the matter. We all know there has not been uniformity. He says the city of Toronto is treated differently from the district of Three Rivers. It may be. But the harbour affairs of Toronto are administered by a harbour commission, and the city have an interest in the harbour development. In St. John there is no harbour commission, but the city has a very large interest in the harbour works, and the Public Works department has been responsible for their construction. That is also true with respect to the harbour of Quebec where many of the works were constructed by the Public Works department and turned over to the harbour board free of interest. That is true of Montreal.

Sir HENRY DRAYTON: Is my hon. friend quite sure of that?

Mr. KING (Kootenay): Yes; and it is true of Vancouver.

Sir HENRY DRAYTON: If that is correct, the statements made by his friends in connection with the Quebec vote are entirely wrong, because they distinctly said that the work had been done by the Public Works department and the interest was charged up to the commissioners, they being forced to take over the works. Can my hon. friend give us the truth?

Mr. KING (Kootenay): What statements is my hon. friend referring to?

Sir HENRY DRAYTON: To statements made in this House.

Mr. KING (Kootenay): I know it is true of works in Montreal, in Quebec and in Vancouver, where certain works built by the Department of Public Works were taken over. It may be that the Minister of Customs (Mr. Bureau) brought down a bill two years ago which incorporated a commission for administering the harbour of Three Rivers, but he did not ask parliament to vote any money for administration purposes, and no money has been voted, it being the intention that the Public Works department should carry on the construction. I think that is the proper procedure for the development in that port, for the activities of the harbour are not such as require administration by a commission handling a large expenditure.

Sir HENRY DRAYTON: I should like to find out who is right, the minister or his supporters. I will give just one instance. A wharf was built by the Department of Public Works in Quebec. Now, according to the minister's statement to-night, the commissioners have the right of running that work without being charged interest on it. Is that right?

Mr. KING (Kootenay): That is my understanding.

Sir HENRY DRAYTON: If that be right, I just want to point out, Mr. Chairman, how easy it is for this House to be entirely misled, because absolutely different statements were made. It was said that the pier had been charged up to the commission, although they did not want it, and they were being charged interest on the outlay.

Mr. KING (Kootenay): Not that pier.

Sir HENRY DRAYTON: I wonder how many more piers the minister built there. I am still speaking of the one place, Quebec. Was another pier built in Quebec? If so, let us have it.

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: Then it is the same thing.

Mr. SPENCER: Will the minister furnish the names of the harbour commissioners for Three Rivers, their term of appointment, and their salaries?

Mr. KING (Kootenay): That is entirely out of my province, but I will see that my hon. friend is supplied with the information.

Mr. CAMPBELL: Here is a remarkable situation when we cannot get information from the department handling the estimates. This information must come from the department of Marine and Fisheries, I understand, but there is no heading under which we can secure it. This does not seem to me to be the proper procedure. Those of us from sections of the country far removed from these harbours are not in a position to intelligently discuss the items at all. I am not questioning the propriety of voting money for such public works, even if they are not paying, for I think parliament must be behind them; but it does seem to me some means should be devised by which a certain amount should be allotted to the provincial governments, which could undoubtedly handle these harbour votes much better than we can. These particular items should be handled by the legislature of Quebec. By going over a period of years a lump sum could be arrived at sufficient to support these harbours annually, and this amount could then be voted each year to the provincial authorities. By this means we would be saved a great deal of time and trouble, and I think the business could be handled much more easily and economically.

Item agreed to.

Valleyfield—wharf reconstruction, $12,250.

Sir HENRY DRAYTON: What is the report on this, Mr. Chairman?

Mr. KING (Kootenay): This work will consist in sinking a new stone-filled crib two hundred feet long and fourteen feet wide in front of the existing old one, and levelling with gravel and broken stone the surface of the old wharf and approach at a cost of $12,250. The engineer says that the existing wharf is in such a bad condition that the foundations cannot be used for new construction. When the wharf was built, instead of dredging a site for the proposed crib, or going a little further in the river to secure a bottom nearly level, the crib was built on the steep slope of the bank, the whole structure resting for a height of a few feet on the face timbers of the crib only. This structure has consequently much settled, and is to-day in such a bad condition that it cannot be recommended as a safe foundation for new construction from low water level in concrete or cribwork.

Sir HENRY DRAYTON: What is the date of that report?

[Mr. Spencer.]

Mr. KING (Kootenay): November 1924.

Sir HENRY DRAYTON: When was the wharf built?

Mr. KING (Kootenay): The existing wharf was built in 1912-1913-1914.

Sir HENRY DRAYTON: What was the cost?

Mr. KING (Kootenay): $5,671.

Mr. GARLAND (Bow River): Does the minister state that the total cost of the wharf from the time of construction to this date has been only $5,671?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Including the original construction?

Mr. KING (Kootenay): No. I said the construction cost of the original wharf was $5,671.

Mr. GARLAND (Bow River): How much has been expended to this date?

Mr. KING (Kootenay): The repairs to that wharf have been very light to date, but the wharf is out of condition. It was built on the edge of a ledge, and it slipped. The foundations are in such shape that they cannot be used for a new construction.

Mr. GARLAND (Bow River): I take it that the department are proposing to build a much larger wharf, if the original wharf cost $5,671, and we are now voting $12,250.

Mr. KING (Kootenay): We are building the wharf in front of the present structure. It is proposed to sink a new crib in front of the former crib, soundings having been taken recently showing that the river bed is nearly level in front of the present wharf, assuring a good foundation to the proposed crib. I read a moment ago the engineer's report as to the condition of the present structure, which is located on a steep slope, the whole structure resting for a height of a few feet on the face timbers of the crib only. This structure has consequently much settled, and is in such a bad condition that it cannot be recommended as a safe foundation for a new construction from low water level in concrete or cribwork. If my hon. friend will take into account the purchasing power of the dollar in 1912 as compared with to-day, he will find that there is not such a great difference between the cost of the original wharf and that of the proposed wharf.

Sir HENRY DRAYTON: Why is all this dredging being done there at the same time?

Mr. KING (Kootenay): There will be some dredging there, yes.

Item agreed to.

Valleyfield—dredging, $32,000.

Mr. KING (Kootenay): This is to complete the contract, and continue the channel in order that shipping may be carried on.

Mr. LEWIS: When was dredging done here last?

Mr. KING (Kootenay): We started a contract there last year. There was $58,000 spent in connection with the old wharf, and $27,000 of that would be previous to last year. This appropriation is to complete the payment of $9,800 on the contract, and to provide $22,200 for the continuation of the channel, making a total of $32,000 this year.

Mr. LEWIS: Can we look forward to any more dredging here next year? Will this complete the channel?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: What is the rate per yard?

Mr. KING (Kootenay): Forty-nine cents.

Mr. LEWIS: Is this class "B"?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: Who is the contractor there?

Mr. KING (Kootenay): Les Chantiers Manseau.

Mr. LEWIS: That is 3 cents per yard cheaper than the other.

Sir HENRY DRAYTON: It is the cheapest we have had yet.

Mr. KING (Kootenay): It varies.

Item agreed to.

Verchères—wharf repairs, $2,500.

Sir HENRY DRAYTON: Where is that?

Mr. KING (Kootenay): In Chambly-Vercheres. This is to lay a six-inch concrete flooring on the whole surface of approach and on the part of the wharf built in 1919.

Item agreed to.

Ville Marie—wharf repairs, $3,500.

Sir HENRY DRAYTON: Where is that?

Mr. KING (Kootenay): Pontiac county.

Sir HENRY DRAYTON: How many wharves have we got up there?

Mr. KING (Kootenay): There are several small structures on Lake Timiskaming where rather important shipping is done. This is to renew stringers, flooring and wheelguard, and to provide planking. The engineer reports:

> These repairs are required to keep the wharf in a good state of repair to accommodate a big traffic, approximately 6,000 tons of freight being handled during 1923.

There is a daily service to Haileybury for passengers, mail and freight.

Sir HENRY DRAYTON: Is this under contract?

Mr. KING (Kootenay): It will be done by day labour.

Sir HENRY DRAYTON: Was the work done last year by day labour?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I would like my hon. friend to just give me the costs of doing that work by day labour, the number of feet of lumber put in place, the number of days it took to do the work, and the material costs.

Mr. KING (Kootenay): I have not that information here. My hon. friend is well aware that it would certainly load our estimates up considerably if we carried the pay roll in connection with these items. During the past season, work consisted in replacing some 22,000 feet of planking, 400 feet of wheelguard, and 10 stringers. The work was carried out in July, F. J. Fitzgerald being the foreman, and the rate of pay $5 per day. I shall be very glad to send my hon. friend the information he desires.

Sir HENRY DRAYTON: I think we should get that information because the department are continually breaking the rule. It is all very well for the minister to soberly shake his head, but there is a rule that the work is to be done by contract where the amount is $5,000 or over. I do not think this is under $5,000.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I will not say anything along that line here then, but I would like to have that information just the same, because I am inclined to think this day work is becoming very expensive.

Item agreed to.

Sir HENRY DRAYTON: With regard to the item "Appropriations not required for 1925-1926," perhaps my hon. friend would just hand that list to Hansard. That will save him the task of reading it.

Mr. KING (Kootenay): I will do that.

The list is as follows:

List of Appropriations not required for 1925-1926

	Chargeable to Income	
	Appropriation 1924-1925	Expenditure to March 31, 1925
Amos—wharf	$ 5,400	$ 312 66
Anse a Beaufils—repairs to jetties	2,250	2,255 48
Anse a la barbe—breakwaters	1,500	1,565 41
Anse au Griffon—wharf extension	2,200	2,236 80
Baie des Rochers—wharf improvements	2,300	2,293 83
Baie St. Paul—wharf	12,200	11,041 85
Boischatel—wharf	15,000	10,738 47
Cannes des Roches—breakwater extension	4,700	4,421 11
Cap a l'Aigle—wharf improvements	2,050	2,039 93
Cap Santé—wharf repairs	2,500	2,132 17
Cap St. Ignace—wharf repairs	2,300	2,299 39
Carleton—wharf repars	1,025	993 16
Desjardins—wharf repairs	1,550	1,473 69
Fabre—wharf repairs	1,350	1,328 69
Fort William—wharf repairs	1,000	991 27
Fox river—wharf repairs	1,100	364 50
Grand Entree (M.I.)—breakwater extension	1,500	1,382 06
Grandes Piles—freight shed	2,300	2,287 73
Grande Riviere—wharf repairs and improvements	1,800	1,753 77
Grosse Roche—wharf repairs	1,250	1,250 00
Isle Verte—wharf reconstruction	10,200	10,199 98
Kowlton Landing—wharf repairs	1,200	1,210 45
La Mothe—wharf	4,000	3,354 70
La Sarre—wharf	3,000	2,014 09
La Reine—wharf	4,200	3,613 72
Lavaltrie—reconstruction of wharf and approach	5,800	5,339 14
Les Escoumains—wharf repairs	3,700	3,654 72
L'Islet—wharf repairs	12,600	12,591 62
Levesque—wharf	3,040	3,039 19
Maria—wharf repairs	4,100	4,098 17
Marsouins—pier	2,500	2,507 80
Matane—harbour improvements	75,000	59,779 83
Riviere Blanche—wharf repairs	1,600	1,599 98
New Carlisle—wharf repairs	950	910 11
North Hatley—wharf reconstruction	2,500	2,487 60
Paspebiac East (Portage)—wharf repairs	3,200	3,194 28
Petite Rivière Romaine—wharf	18,000	18,000 00
Pierreville—repairs to wharf and roadway	3,300	3,254 19
Piopolis—wharf repairs	950	865 60
Pointe a Elie (M.I.)—waiting room and wharf improvements	4,800	3,185 19
Port au Persil—wharf	9,000	8,532 65
Quyon—wharf repairs	1,135	941 16
Rigaud—wharf reconstruction, roadway and jetty	6,400	6,468 43
Rimouski River—breakwater—wharf reconstruction	11,600	8,486 10
Repentigny—wharf improvements	7,000	6,997 33
Riviere des Vases—wharf repairs and improvements	1,200	1,189 49
Riviere du Lievre—lock and dam—reconstruction, repairs and renewals	10,500	9,390 16
Riviere Noire—breawater	4,000	4,025 36
Ste. Anne de Beaupré—wharf reconstruction	11,600	11,721 71
Ste. Anne des Monts—wharf repairs	3,350	3,344 98
St. Charles de Caplan—wharf reconstruction	5,000	4,952 30
St. Emelie—dredging	13,750	13,761 78
St. Emelie—wharf repairs	4,450	4,427 33
St. Georges de Malbaie—breakwater pier	1,000	1,008 12
St. Gregoire de Montmorency—repairs to revetment wall	10,000	9,995 96
St. Jean Port Joli—wharf repairs	11,900	11,847 11
St. Marc—wharf and right of way	6,500	6,494 22
St. Omer—wharf repairs	2,350	2,212 33
St. Pierre les Becquets—wharf reconstruction	15,460	13,636 55
St. Roch de Richelieu—wharf	7,900	7,999 51
St. Simeon—wharf repairs	5,550	5,547 27
St. Sulpice—wharf improvements	7,300	7,316 85
St. Zotique—wharf repairs and new shed	1,400	1,374 90
Squattack—wharf repairs	1,450	1,418 92
Tadoussac (Anse a l'Eau)—wharf repairs	2,000	1,382 67
Terrebonne—protection wall	2,900	2,865 19
Trois Rivieres—wharf repairs and reconstruction	9,000	8,885 05
Victoria Bay (lake Megantic)—wharf repairs and shed	1,200	1,199 90
Trois Pistoles—repairs to piers and dredge	3,500	3,527 65
	$406,710	$369,013 31

The CHAIRMAN: The next item is No. 150.

Dauphin Beach—wharf, $6,600.

Mr. BOYS: I am aware, Mr. Chairman, that item No. 150 has been called, but I regret that I may have to be away a day or so next week and I wondered if the minister would have any objection to giving me information now relating to item No. 155. I asked a question or two the other night of the minister, but he had not his notes with him, and he would oblige me very much if he would give me the information now. If he is going on with item No. 155 in the first three days of next week I regret to say I cannot be here.

Mr. KING (Kootenay): I have not the dredging items here, but if I remember rightly my hon. friend asked regarding the appropriation or expenditure at Collingwood. I have gone into the matter, and it is the intention of the department to do, out of the general dredging vote for Ontario and Quebec, certain work in the harbour of Collingwood this year to the amount of about $20,000 odd, I think.

Mr. BOYS: What about Belle River?

Mr. KING (Kootenay): I have not the information on that but I shall be very glad to give it to my hon. friend at a later date.

Mr. BOYS: Of course I realize that I am out of order and that I am entirely in the hands of the minister. I appreciate what he has told me already and if he will consent to give me the further information—I presume he knows it now—whether anything is included in this item for Belle River. I should like to know what the amount is.

Mr. KING (Kootenay): I understand that my hon. friend has already been advised through the Public Accounts committee that there will be a further expenditure this year As to the amount I have not that information at hand, but there will be some further dredging at Belle River this year.

Mr. BOYS: As a matter of fact I do know that about $10,000 will be required to complete certain dredging that was undertaken, but that does not for a moment indicate that there will not be more spent. In fact, something I saw yesterday would indicate that there will be further expenditure for a turning basin, and so on. I do not want the information unless I can get it accurately. If I can get it accurately I should certainly like to have it.

Mr. KING (Kootenay): I think my hon. friend is getting information day by day and getting it accurately.

Mr. BOYS: That may be true as far as expenditure is concerned but not as regards estimates for future expenditure, and that is what I am asking for.

Mr. KING (Kootenay): I will get the estimate.

Mr. BOYS: Then I understand the minister is not in a position to give me definite information to-night.

Mr. KING (Kootenay): There will be further expenditure as I have already informed my hon. friend. As a matter of fact I understand the work is to be contracted for, and it would be only an estimate that I could give my hon. friend.

Mr. BOYS: That is all I want.

Mr. MEIGHEN: What is the expenditure on Dauphin beach for?

Mr. KING (Kootenay): This is a revote of $6,600. It is required to provide for the construction of a wharf 464 feet 6 inches long over all, measured on the outside. The wharf will consist of a stone fill approach, 200 feet long, and 12 feet wide on top, with slopes of one and a half horizontal to one vertical, a pilework extension to this approach 152 feet long and 12 feet wide, and an "ell," 112 feet 6 inches long and 12 feet wide, with triangular extension 20 feet from inner corner. The pilework section throughout will be close piled on the outside.

Mr. MEIGHEN: When was this wharf started?

Mr. KING (Kootenay): The work is under contract, an order in council having been passed on December 22, 1924, granting authority for the acceptance of the tender of Isaac Silverwood, of Dauphin beach, Manitoba.

Mr. MEIGHEN: What is the total cost of the work?

Mr. KING (Kootenay): This vote will complete the work. The contract price is $5,990; and inspection, contingencies, and so on amount to $610.

Mr. MEIGHEN: Why was $8,800 voted last year?

Mr. KING (Kootenay): It was voted but we did not get our contract let until December. We only spent $659 last year. The amount voted last year was an estimate of the cost. When tenders were called for we found that they varied from $5,990 to $8,962.

Mr. MEIGHEN: The work is going on now is it?

Mr. KING (Kootenay): Yes.

Mr. MEIGHEN: This is surely a summer resort is it not?

Mr. KING (Kootenay): No. The district is a dairy farming country, settled by Canadian, English and Ruthenian settlers, and there are a great many returned soldiers settled there. There are two creameries in the town of Dauphin, and they are handling a very large volume of cream. In addition to dairying there is some truck farming and cattle raising.

Mr. MEIGHEN: I hope the minister will excuse me smiling. The Dauphin country is a splendid farming country, one of the best in the province, but Dauphin Beach is a summer resort.

Mr. KING (Kootenay): My right hon. friend has local knowledge and so can enlighten the committee. I regret that I have not any such knowledge.

Mr. MEIGHEN: I presume this vote is the result of government policy, and I am not at the moment criticizing it; what I should like to do is to get the facts. The minister has said that there is some dairying and cattle raising, and that there are Canadian, English and Ruthenian settlers; but the nature of the farming country at Dauphin has no more relation to the requirements of the wharf at Dauphin Beach than the depth of snow at the pole has to do with it, not a particle. Dauphin Beach is a summer resort, on lake Dauphin about a dozen miles or so to the east of Dauphin. If it is used for any other purpose I should like to know what it is. I would not think that very many Cunard or White Star liners get into lake Dauphin.

Mr. KING (Kootenay): I would not expect it. Still there are a number of people there who do use the lake.

Mr. MEIGHEN: But only for fun.

Mr. KING (Kootenay): They have no railway connection. They must depend upon the lake to transport their products to market, and Dauphin is their only market. My information is there is considerable farming population that use this lake during the summer.

Mr. MEIGHEN: I know there is.

Mr. KING (Kootenay): In addition to that it is used by the people who go there to enjoy the beach and the boating.

[Mr. J. H. King.]

Mr. MEIGHEN: That is what I wanted to know.

Mr. BROWN: The hon. member for Dauphin (Mr. Ward) is not here. But I have been in constant communication with him, and I understand there is a very considerable traffic across the lake by those who bring their produce to market. I am not very familiar with the district myself but that is what I understand from the hon. member in whose constituency it is.

Mr. MEIGHEN: I was not aware of that. Of course if there is a commerical traffic some kind of wharf would have to be provided. I hope this wharf is good enough.

Item agreed to.

Harbours and Rivers generally—repairs and improvements, $10,000.

Mr. BANCROFT: Would the minister tell us what the expenditure was last year?

Mr. KING (Kootenay): Last year we expended $4,088.60. The expenditure varies. For the year 1912-13 it was $6,896; in 1920-21 it was $12,914; in 1923-24 it was $2,338; and last year, $4,088.60.

Mr. MEIGHEN: Where was that money spent?

Mr. KING (Kootenay): In the province of Manitoba, I will give the items:

Generally	$ 387 66
Winnipeg district engineer's office maintenance	1,346 97
Delta protection works	1,214 71
Netley cut dam	791 10
Winnipegosis wharf	54 47
Heckla wharf	39 30

Mr. MEIGHEN: Is there anything in this vote to go this year to Delta Beach?

Mr. KING (Kootenay): Yes I understand so.

Mr. MEIGHEN: What will you do there?

Mr. KING (Kootenay): I understand there will be some filling in this year of the cut made some years ago, with a view of closing the cut.

Mr. LEADER: Some of this work is in my constituency, and I should like to say a few words. I understand the minister is going to complete the work the department has undertaken at Delta—the filling of that cut?

Mr. KING (Kootenay): It will be put in this year.

Mr. LEADER: Does the Minister intend that any of this appropriation shall be used to repair the dykes on the Assiniboine river? Some of them were washed out during the flood this spring. The minister gave figures

a moment ago stating that $4,000 odd were spent in the year 1922, to repair dykes the government have had to build and maintain from year to year during the last forty years. I think in the neighbourhood of $50,000 has been spent by the federal government in building and keeping in repair dykes on the Assiniboine river between Portage la Prairie and Winnipeg. In 1922 they undertook to repair the dykes which were damaged by the flood of that year. We had a flood again this spring and I am informed that some damage has been done, the extent of which I do not know. I have received a communication from the municipality of Cartier asking me to use my influence with the government to have them give a grant to that municipality of $5,000; and stating that if they get this grant the municipality will undertake to repair the dykes themselves. Failing that, they would ask the government to undertake to repair the dykes that were damaged in the flood of this spring. There are also dykes further west between Portage la Prairie and the municipality of Cartier. I do not know the extent of the damage, but some damage has been occasioned. Does the minister intend to use some of this money to repair these dykes? If these dykes are not repaired this year it may spell disaster to a good many farmers situated along the banks of the river next summer.

Mr. KING (Kootenay): Minor repairs might be made to works previously constructed by the Dominion government, but I can assure my hon. friend that the government has no intention of undertaking any large dyking scheme along the Assiniboine river.

Mr. LEADER: I understood the minister to say the government would be willing to repair dykes previously constructed by the government.

Mr. KING (Kootenay): Yes, minor repairs, but nowhere in Canada does the government undertake to maintain dykes for municipalities or for any other large interests. It is true there was some small dyking done years ago, and from time to time the department have performed certain works. We will be advised by our engineers as to what work we will do this year, but it is not the intention of the department to make the government liable for large undertakings on the Assiniboine river.

Mr. LEADER: I know that perfectly well, but I should like to get an assurance from the minister that the department will undertake to repair the dykes which they previously constructed. It will be a very small item. Surely he can give me such an assurance, because otherwise those people will be knocking at the door of the government this summer or next fall asking them to put those dykes in shape before the freshet occurs next spring. I think it is reasonable to ask for an assurance now that the work will be undertaken. It may only cost a few hundred dollars, but of course I am not in a position to say definitely. Two years ago it cost $4,000 odd. Will the government spend that much money on those dykes if necessary?

Mr. KING (Kootenay): If the hon. member will tell me the district he has in mind I will have the matter investigated and ascertain what is involved and the liability of the Dominion government. I will then answer his question.

Mr. LEADER: Yes, that is sufficient. I will be glad to furnish the information to the minister. I understand that following up a delegation that was introduced to the minister in the year 1922, the department agreed to make a survey of that portion of the Assiniboine river lying between Portage la Prairie and Winnipeg, to see if something could not be done to keep the waters of the Assiniboine river within their boundaries and thus prevent the flooding of the agricultural lands adjacent to the river. I understand the department undertook that survey and that it has been completed.

Mr. KING (Kootenay): Yes, we made the survey.

Mr. LEADER: What is the estimate?

Mr. KING (Kootenay): A large estimate, amounting to some hundreds of thousands of dollars, made by our engineers, has been forwarded to the provincial departments of public works, who have been making certain investigations, and correspondence has taken place between the provincial departments of public works and the department at Ottawa.

Mr. LEADER: What is the provincial estimate?

Mr. KING (Kootenay): I could not say. It has only recently been referred to them. It is very much less than our estimate.

Mr. LEADER: I understand they have made a survey and estimated the cost at $200,000, and the Dominion government estimated that the probable cost would be nearer a million dollars.

Mr. KING (Kootenay): Yes, that is right.

Mr. LEADER: There is considerable discrepancy there. I am well acquainted with the situation out there, and I would hesitate to advise the government to undertake any expenditure involving a million dollars in that district. I believe that with a proper supervision over the river when it is in flood a good deal of the damage could be taken care of, and there would not be the damage that has frequently occurred. The trouble has been that the provincial engineers have passed the buck to the federal engineers and the federal engineers have said, "The responsibility is not ours; it rests with the municipalities and the provincial government". An ice jam occurs on the river and nobody has any authority to immediately break up that ice jam, and the result is that the water overflows and floods the surrounding land. I believe that if there were proper supervision of the floods in the spring, and if the ice jams were broken up before they had seriously formed it would immediately relieve the situation and the water would flow away. I know that when the engineers got busy at Portage la Prairie this spring they undertook to break up the ice jams as soon as they formed and prevented serious floods. It seems to me with the equipment we have now, with the modern airships, supervision could be undertaken from the air. Bombs could be dropped from the air and these ice jams could be broken up and the situation relieved before they become dangerous.

Mr. FORKE: It would be something like a war.

Mr. LEADER: It would be good practice for us in case of future war. One feature of this is that the place where the ice jams form is where the river takes a turn, where there is a bend, in the river; that is where the jam forms and that is the dangerous point that should be watched. That is another phase of it that would not cost very much money. You could dig channels across the necks of land where the river takes a turn, and if that were done, in a few years these channels would become the course of the river. In that way you would hasten the flow of the water down to the Red river at Winnipeg. The water would run away more quickly at the mouth and I do not think it would be a serious menace to the city of Winnipeg. If you cut off the narrow necks of land and put engineers in there who would break up the ice jams when they occurred, with the expenditure of not very many thousand dollars you could take care of the situation and relieve the pressure at Portage la Prairie, always bearing in mind that the dykes constructed now are along the little runways and creeks and must be maintained in proper shape.

Mr. FORKE: I am a little disappointed, after listening to the speech of the hon. member for Portage la Prairie. I thought he would put in a word for some places west of Portage la Prairie on the Assiniboine river. We have lots of floods through the Brandon constituency. If a dyke is to built I hope the minister will not forget that district.

Mr. STEVENS: You want a bombing machine there.

Mr. FORKE: I am sorry I was not in the House when the appropriation for wharves was going through, because I notice from the Canada Year Book we export more fish from Manitoba than they do from New Brunswick, and the idea that we can get off with a $6,000 vote for wharves astounds me altogether when so much business is being done. The item however, is passed and we cannot get anything out of it now.

Item agreed to.

Netley cut—closing channel, $3,500.

Mr. BANCROFT: Does the minister think this is sufficient to complete the work of closing up the Netley cut?

Mr. KING (Kootenay): Yes, it is hoped that this will complete the work of closing this channel. It is to construct a sheet pile wall, 130 feet long, backed by a hydraulic fill.

Mr. BANCROFT: Has the minister the figures showing the original cost of the construction of the channel?

Mr. MEIGHEN: Where is the Netley cut?

Mr. KING (Kootenay): The Netley cut is an artificial waterway dredged by the department in 1914, between the Red river and Netley lake. This waterway is no longer of value, and owing to the strong current through the channel, it has proved impossible to maintain a bridge there. It is suggested that the cut should be filled. Last year we expended a certain sum and it is expected to complete the refilling this year.

Mr. MEIGHEN: What was the idea of the cut?

Mr. KING (Kootenay): It was suggested to permit of Netley lake being entered by small boats and flat-bottomed scows. It was represented that there was a considerable quantity of cordwood and hay on the shores of and adjacent to Netley lake, and that settlers and others interested experienced difficulty in having it taken out.

Mr. MEIGHEN: What did the minister say had happened since then?

Mr. KING (Kootenay): It was found that it was not serving the purpose for which it was constructed, and that it was impossible to maintain a bridgeway or roadway over the cut. It is considered cheaper to close the cut than to try to maintain a bridge at that point. I have not the original cost of construction.

Mr. BANCROFT: The construction in the first place is one example of the unnecessary expenditure of public money. It connects the Red river with Netley lake which lies to the west of the Red river. The excuse given to the department for the construction of this channel was that a quantity of hay and cordwood could be shipped through it on scows. Netley lake is very shallow and there are no wharves around it. My information was that no scow ever went in there and that nothing was ever shipped through the channel. I am informed that that was not the real purpose of its construction at all. There were one or two individuals in Selkirk who owned motor launches and who had a hunting lodge on Netley lake. They wanted a short cut to get in there in order to shoot ducks. That is the reason why this channel was constructed. After it had stood there for a few years, it began to fill up the channel of the Red river, because the water commenced to eat away the approaches on both sides. The soil is very marshy and the silt carried through the channel became a menace to navigation on the Red river. Therefore, the department began to fill it up. The filling up has been going on for some years, and the action of the river is so strong that they found it almost impossible to fill it up. I am afraid this vote will not complete the work. I thought it proper to bring this matter to the attention of the committee, because in the estimates that are brought before us each year there might be some other items similar to this.

Mr. KING (Kootenay): No.

Mr. BANCROFT: It was unnecessary in the first place, and I hope this item will finish the work of closing it up.

Item agreed to.

Portage la Prairie—sewer extension, $7,200.

Mr. GARLAND (Bow River): I understood that last year the committee was informed that the whole work was completed and that the necessary amount had been paid over. It was with some amazement that I saw this item of $7,200 this year. Probably there is an explanation..

Mr. KING (Kootenay): If my hon. friend will look back to the discussion of last year, I advised the committee, when the main estimates were going through that we were passing the amount which would pay the contractor his contract price. I intimated to the committee then that probably an extra amount would be required and that it would probably come down in the supplementary estimates. After that I was not satisfied with the claim and I carried it over. I have had it thoroughly gone into by the engineering department and the claim is recommended entirely by that department. When the contract was let the specification in the contract required a trench three feet in width to an average depth of 12 feet 6 inches to be excavated for the laying of the sewer pipe. When the work on the pipe laying was commenced after the trench was excavated the required width of three feet, the results were so unsatisfactory on account of water, caving ground and lack of space to work in, that the trench had to be widened from top to bottom to the full width of four feet, no less width being possible at the bottom to permit of satisfactory laying and jointing of the pipe. The widening of the trench was done after the sides had frozen and at a much higher cost than that of the original excavation. The contractors have asked to be compensated for the additional width of trench excavation and back fill rendered necessary. The district engineer has recommended this, and, as I say, I intimated to the committee last year that probably an item would be brought down in the supplementary estimates. At that time I was not satisfied and I delayed the matter. The item apparently is one that has been carefully checked by the engineering department, and it is for extra work that was found necessary beyond the specification as originally designed by the engineering department.

Mr. LEWIS: What was the size of the pipe?

Mr. KING (Kootenay): Twelve inches.

Mr. GARLAND (Bow River): In my humble opinion this is an amazing way of doing business. I remember on one occasion working with a railroad gang to cut out the

Swift Current—Bassano cut-off. I worked for a fine fellow who entered into a contract at so much a yard. He ran into hard pan and no part of his losses were made up. An extra gang was put on; he was forced to pay for the lot, and he was made bankrupt. He had entered into a firm contract and he had to carry it out. Apparently, with this government all you have to do is to enter into a contract, do anything you like afterwards and come back with a bill.

Mr. KING (Kootenay): My hon. friend is quite wrong. The specification was definitely for a trench three feet in width. After the trench had been excavated it was found that on account of the nature of the soil and the water this pipe could not be laid in a trench of that width. If there was any fault at all, it was not that of the contractor. There may have been fault or error in judgment on the part of the engineers. They could not foresee the condition of the soil. The conditions they found after the trench had been dug according to the specification, required the extension of the width of the trench to four feet instead of three. The quantities were taken out and I think they should be paid for.

Mr. LEWIS: It is really a pity that at the time this extension to the sewer was made, provision was not made for the future. This has cost a great deal of money, and, as I mentioned last year, the diameter of the pipe should have been considerably enlarged from the place where they connected it, because in twenty years time, if necessary, we shall have to do the whole work over again. It seems to me that it might have been well in making this extension to have done it properly, because it involves a great expenditure.

Mr. LEADER: As this work is in my constituency I should know something about it. The hon. member (Mr. Lewis) is under a misapprehension in regard to the work. This question has been rehashed in the House on several occasions and I do not intend to discuss it at any length now; but it has nothing to do with the size of the pipe. It was due to an act of the government that the river bed dried up and it was the duty of the government therefore to carry the sewer further down the river. I support the minister in what he has said in regard to the nature of the soil there; I can readily understand that the engineer might not be quite familiar with the situation. The water is close to the surface of the ground and there is a sandy subsoil. I know that this work was done by contract, but had the minister no offers from contractors in Portage la Prairie or from men who must have known something about the nature of the soil in that vicinity?

Mr. KING (Kootenay): There were three tenders submitted for this work as follows:

1. Fowler, Young and Holden Co., Ltd..	$77,475 00
2. Thomas Jackson and Sons..	79,878 20
3. Western Drainage Co., Ltd..	99,219 50

Mr. MEIGHEN: Where are these firms located?

Mr. KING (Kootenay): They are Winnipeg firms, but I am not sure; they might be situated elsewhere.

Mr. LEADER: The minister had only one tender from a contractor in Portage la Prairie.

Mr. KING (Kootenay): We had none, unless one of the firms I have mentioned is located there.

Mr. LEADER: Are the addresses not given?

Mr. KING (Kootenay): No. What firm does my hon. friend refer to?

Mr. LEADER: I am not referring to any one in particular, but I was wondering whether any firm in Portage la Prairie had tendered.

Mr. KING (Kootenay): No.

Mr. LEWIS: I want to tell my hon. friend (Mr. Leader) that I was under no misapprehension at all; I have supervised more sewer construction work than he has ever seen. I do say however that when the extension was made at such tremendous cost it would have been wise to visualize Portage la Prairie twenty years hence, for I do not think that Portage la Prairie will remain a village forever; it must be a large town or even a city for that matter some time. The twelve-inch pipe which we use in the Old Land to serve a population of 1,000 is considered adequate for that number, and when you are spending $100,000 on a necessary extension of a mile and a half you should provide a pipe large enough to meet the needs of the place when it is considerably larger than it is at present.

Mr. LEADER: I am thankful to the hon. member for his reference to my experience of work of this kind. As to what he has said regarding Portage la Prairie, I agree with him that the town will one day blossom out into a great city. The construction of this work has been done to the satisfaction of the people and I have conveyed the thanks of the citizens of Portage la Prairie to this government on previous occasions, as I do to-night again. But I am surprised that the supple-

mentary estimate was included last year. The contract at first called for $54,000 and then we had a supplementary estimate last year of $34,000. I was rather surprised at that myself, and when the minister intimated that there would be a further supplementary estimate I immediately wrote to the mayor of Portage la Prairie and inquired whether he had had any information in regard to this work and why there was an increase over the estimated cost. The letter I received in reply could not give me the information in regard to the cost, but the statement was made that the work had been thoroughly done and that they were perfectly satisfied with the situation.

Mr. CAHILL: I do not wish to oppose this vote, but it seems unusual to build sewers even in the town of Portage la Prairie. I was wondering whether this vote was to be accounted for by the fact that both the representative of the majority in Portage la Prairie and the representative of the minority in the last election are present in the House.

Mr. MEIGHEN: I think it is partly due to that fact. It took a sledge hammer to hammer this out and I am very glad it was hammered out and that the damage done by the government was repaired. But I have never wept tears of gratitude because any wrongdoer repaired the damage he himself had done; I have enough causes for gratitude in the world without suffering much on that account. Will the minister tell me how much this has cost altogether? This year's vote is $7,200 and I have last year's estimate here. I should like to get the whole account.

Mr. KING (Kootenay): The total expenditure has been $87,000 odd including this amount.

Mr. MEIGHEN: The government of course may have learned better in the last seventeen years, but I would advise them never again in the heat of an election to run into a blind, foolish escapade merely in the hope of catching votes. The country has to pay for it in the end. This is a pretty heavy bill to pay in this instance. There are only one or two members of this government who were members of the old administration, but I trust they will never cease to bring home to their colleagues the folly of such hasty action.

Item agreed to.

Saskatchewan and Alberta—Blairmore—dredging and cribbing, $5,000.

Mr. MEIGHEN: Blairmore brings back to my mind memories of some townsite scandal. What is going on there now?

Mr. KING (Kootenay): I have not much faith in my hon. friend's memory. Blairmore is situated in the county of Macleod. The Oldman river runs through the town and in 1924-25 very serious floods took place there. In conjunction with the city the government undertook certain works, spending $19,041, the town of Blairmore $12,550, and the Canadian Collieries, which is a large coal company operating at that place, $15,000. We are asking now for a further $5,000 in order to secure the work already accomplished. The expenditure is a proper one and it is important.

Mr. MEIGHEN: How much has it all cost?

Mr. KING (Kootenay): It has cost $46,000, of which the federal government has spent $19,000.

Mr. McTAGGART: How much will be spent in Saskatchewan out of this vote?

Mr. KING (Kootenay): The whole of this vote is for harbours and rivers.

Mr. LEWIS: Mr. Chairman, we have been passing a lot of items for little wharves, costing in the neighbourhood of $30,000, for the convenience, in several cases, of communities of about twenty-five inhabitants. Now, the Saskatchewan river is very difficult of approach at certain places, where it is crossed by ferries which do a great public service for the inhabitants for miles around. For instance, at Riverhurst in my constituency the municipality and the provincial government had to build a half-mile ferry approach to the river at a cost of thousands of dollars. I understand that no federal help was granted. It seems to me that a work of this kind, which is almost a wharf, is a public work for the whole community, and should receive federal assistance for its maintenance.

Mr. KING (Kootenay): Of course, these rivers are crossed by ferries which are largely under the control of the provincial government. I think the same condition probably exists in western Canada as in many parts of the east; where there is no general navigation the provincial government or the municipalities provide the facilities, whereas where there is general navigation the ferry service takes advantage of the Dominion wharf.

Mr. LEWIS: If there had been a little dredging done in that particular part of the river it would not have been necessary to build nearly so long an approach for the ferries to make a landing.

Mr. SPEAKMAN: Am I to understand, Mr. Chairman, that the distinction in jurisdiction is that where boats run up and down the river it is federal, but where they run across it is provincial or municipal? Roughly speaking, that seems to be the distinction.

Mr. KING (Kootenay): The river might be navigable across at a particular point, but not up and down.

Mr. GARLAND (Bow River): I would hesitate to recommend the minister to take the advice given by the member for Swift Current (Mr. Lewis). I happen to know some of our western rivers, and I think if his suggestion were adopted he would have to go on dredging constantly to keep the channel clear. I think it is a perfectly absurd proposal to start dredging prairie rivers for the use of ferries.

Item agreed to.

Cowan lake and river route—improvements, $2,300.

Mr. MEIGHEN: Is this something we are taking over?

Mr. KING (Kootenay): The dam was formerly owned by a timber company that is not operating to-day. The dam is a distinct aid to navigation, and we propose to put it in repair.

Mr. DAVIES: Mr. Chairman, this vote represents a very important work. Late last fall the hon. member for Prince Albert (Mr. Knox) and myself visited Cowan lake, which is the opening of navigation to the north country. Practically all the transportation of northern Saskatchewan is by the rivers and lakes. We found that since the Big River Lumber Company gave up their plant at Big river this dam has been neglected, and unless some improvements and repairs are made to it the navigability of Cowan lake and the rivers running north will be very largely diminished. We found scows were going to the north country taking supplies to the Hudson's Bay Company and to trapping posts, but they were only half loaded because the dilapidated condition of this dam seriously affected the navigability of Cowan lake and the rivers running north. If the department intend to spent this $2,300 on repairs to the dam I am sure the vote is fully justified.

Sir HENRY DRAYTON: Is this enough to do the work properly?

Mr. KING (Kootenay): The engineer reports that for that amount he can put the dam in repair and remove snags from the river.

[Mr. Lewis.]

Sir HENRY DRAYTON: Does he say what draft that will give?

Mr. KING (Kootenay): It will maintain the present level.

Sir HENRY DRAYTON: The member for North Battleford (Mr. Davies) wants something better than that.

Mr. DAVIES: Mr. Chairman, I am in doubt whether $2,300 will be sufficient to put that dam in a state of repair to allow fish and furs coming out from the north country to be brought down in full scow loads. If the engineers of the department find that this vote is not sufficient, I hope the minister will give me his word that he will carry on this work next year and so bring the navigation system to a state of fairly good efficiency. It means a lot to the men in the north country, for they live at least 150 miles away from railway facilities and they have to transport their produce by scows, which is far preferable to getting it out by dog teams. Therefore this means a great deal to them. This seems to be the only amount devoted to public works in Saskatchewan in the way of harbours, dredging, docks, wharves, jetties and so on. I hope the minister will keep this before him and that if next year it is found the appropriation is not sufficient a further vote will be included in the estimates.

Sir HENRY DRAYTON: I think, Mr. Chairman, the work certainly can be done, if not by this vote then by a further appropriation from the general vote.

Mr. GARLAND (Bow River): Does not the hon. member think it should be done?

Sir HENRY DRAYTON: Yes, I am stating it should be done.

Mr. MEIGHEN: I see the three prairie provinces get an aggregate vote of about $51,000, but the government has committed the treasury to an expenditure of $225,000, plus dredging, which I expect will run to another $100,000, to redeem the pledges of the present hon. member for Northumberland (Mr. Snowball) just for one riding. So there ought to be a pretty generous interpretation given to this vote.

11 p.m

Mr. KING (Kootenay): The matter is newly before the department. The lumber company controlled the dam for their purposes, but they no longer require it. The matter was brought to the attention of the department and it was stated that the dam was of great importance to the people in the

neighbourhood. Our engineer investigated, and he reports that this year we can maintain the present dam and the present level with this expenditure. It may be necessary at a later date to increase the item, but my information is that this will take care of the situation for the present year.

Item agreed to.

Fort Resolution—wharf, $7,500.

Sir HENRY DRAYTON: Where is that?

Mr. KING (Kootenay): In Alberta, north of Edmonton.

Mr. MEIGHEN: Surely the government did not name it. When did the government resolve to do this? What is it for? This is very far north.

Mr. KING (Kootenay): It is very far north, in the Slave lake country. It is proposed to construct a stone filled cribwork breakwater-wharf consisting of an approach 210 feet long, and 20 feet wide. During 1924-1925 the expenditure was $3,029. The expenditure is warranted by the trade which exists on the Great Slave lake. The engineer reports:

> At Fort Resolution it is estimated that a million pounds of fish is consumed by the inhabitants, and approximately 600 cords of wood are brought in by water for firewood. All supplies arrive by water.

It is a great fishing centre, and it is also the port that gives entrance to the north. The Hudson's Bay Company, the Northern Trading Company, the Roman Catholic mission, the Royal Northwest Mounted Police and the Department of Indian Affairs all have vessels which would use this breakwater.

Mr. KELLNER: Is not Fort Resolution in the Northwest Territories, not in Alberta?

Mr. KING (Kootenay): That is correct. It is north of the Alberta boundary.

Mr. KELLNER: Has the minister any recollection of being requested to fix the road at Fort Smith where that portage is, and what does the department intend to do about it?

Mr. KING (Kootenay): I do not remember that request.

Mr. KELLNER: I am quite sure it has been placed before the department, because I did it myself. I would like to know if the department have any intention of doing that work this year or not.

Mr. KING (Kootenay): I think we have a report upon it, and I will be glad to give my hon. friend the report. I am doubtful if the department will undertake any such expenditure this year.

Mr. KELLNER: I hope the minister is not saying that because the expenditure is so large. I called attention the other night to these prairie provinces, and the right hon. leader of the opposition has done it again to-night, so I suppose it is not necessary to enlarge on that any more, but it might not do any harm to suggest to the government that there is good material in these estimates for a bad advertisement for "Canada Coming Through". Just go over the pages of estimates for the provinces that we have been passing the last few days, and for a grand finale just put on the prairie provinces when you are advertising "Canada Coming Through". I am quite sure it would be very popular with the people of Canada. This is a ridiculously small expenditure I am asking in comparison with the amounts you are spending elsewhere. I think this is as important a water route as there is anywhere in Canada, and that portage at the present time is practically impassable. Why would the government hold up for another year the expenditure of a few hundred dollars to put that road in?

Mr. MEIGHEN: Cannot the minister answer?

Mr. KING (Kootenay): It is not necessary, particularly. Does my hon. friend care to answer? We have brought down an estimate for the district, and I know my hon. friends from the prairie provinces neither wish nor expect a page of estimates for wharves in the prairie provinces. I am hoping that we are serving as far as we can the requirements of the district. As regards the portage my hon. friend has spoken of, we shall be very glad to have an investigation made. The Department of the Interior is probably more familiar than any other department of the government with the necessities and activities in that northern country, and personally, as the Minister of Public Works, before I undertook an expenditure in that far north country, I would like to have a recommendation from the Department of the Interior that such an expenditure would assist in the development of that northern country.

Mr. KELLNER: Has the Department of the Interior any engineers up there?

Mr. KING (Kootenay): They have agents in and out right along, year after year.

Mr. KELLNER: I would remind the minister that it would take an engineer a considerable time just to get in and out up there without the formality of making a report. It is only a small expenditure anyway. It is in the Northwest Territories, and if this government does not do it, it cannot be done.

Mr. KING (Kootenay): I shall be very glad to give the matter every attention. We will make further inquiries.

Mr. KELLNER: That promise does not get down very deep, because I have had it made to me on several occasions before, and the road has not been built.

Item agreed to.

Mr. MEIGHEN: We usually close at eleven o'clock on Friday. We were here till after midnight last night—till about 12.30.

Mr. KING (Kootenay): Of course, this has been a rather short week, with the holiday. If we could run through the British Columbia vote that would practically clear up harbours and rivers, but if my right hon. friend is of the opinion that he would like to rest at the present time, I have no objection, and I will move that the committee rise.

Progress reported.

On motion of Mr. Mackenzie King, the House adjourned at 11.12 p.m.

Monday, June 8, 1925

The House met at three o'clock.

PRIVILEGES AND ELECTIONS

Right Hon. W. L. MACKENZIE KING (Prime Minister) moved:

That the names of Messrs. Casgrain and Denis (Joliette) be substituted for those of Sir Lomer Gouin and Mr. Bureau on the select standing committee on Privileges and Elections.

Motion agreed to.

RAILWAY FREIGHT RATES

BILL TO AMEND THE RAILWAY ACT, 1919

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): I lay on the table copy of the order in council passed on June 5, with reference to freight rates. I move:

That 750 copies in the English language and 250 copies in the French language of the order in council of June 5, 1925, respecting freight rates, laid on the table of the House this day be printed forthwith, and that rule 74 be suspended in relation thereto.

Motion agreed to.

[Mr. Kellner.]

Mr. GRAHAM moved for leave to introduce Bill No. 181, to amend the Railway Act, 1919.

Sir HENRY DRAYTON: Explain.

Mr. GRAHAM: The object of this bill is to give statutory authority to the carrying out of the policy, as announced by order in council of a recent date, with regard to freight rates. In brief, it retains in its enactment the features of the Crowsnest pass agreement so far as the rates on grain and flour are concerned. Otherwise it removes all restrictions—either by law, by agreement, or by the judgment of the courts—to the Board of Railway Commissioners investigating fully the rate situation in Canada, and preparing a structure that will be just to all parts of the Dominion.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): Would the minister say whether any portion of the agreement remains in existence as an agreement, after this statute passes? That is to say: Does the agreement live any more, or does the agreement die and the House enact certain rates, which formerly were in the agreement, to take its place?

Mr. GRAHAM: This phase of the question was the cause of a good deal of discussion and a good deal of thought by the government. It was finally decided that the Crowsnest pass agreement should remain so far as grain and flour were concerned.

Motion agreed to and bill read the first time.

PRIVATE BILLS

FIRST READING

Bill No. 175, from the Senate, for the relief of Andrew Toulouse.—Mr. Church.

Bill No. 176, from the Senate, for the relief of Albert Plue Jessop.—Mr. Duff.

Bill No. 177, from the Senate, for the relief of Cecil Hunter.—Mr. Gordon.

QUESTIONS

(Questions answered orally are indicated by an asterisk).

FRASER RIVER PROTECTION

Mr. McQUARRIE:

1. Has the government completed the protection of the Fraser river bank along Nicomen island?
2. If so, how much money has been spent to date?
3. How much of the total expenditure has proved a total loss on account of the delay in finishing the work?
4. What portions of the protection work still remain in place?

5. Has the government of British Columbia fulfilled its part of the agreement with the federal government in reference to the protection of Nicomen island?

6. If not, what reason has been assigned for the failure of the British Columbia government in this connection?

Hon. Mr. KING (Kootenay):

1. The contemplated protection work has been completed.

2. $166,128.11 from 1904 to date.

3. Nil.

4. All work in position except at three places where mattress has slipped down the bank. The estimated cost of repairing these sections is $3,750.

5. No agreement, but the provincial engineer advises that provincial government has completed the dyking intended to be done by them.

6. Answered by No. 5.

THE MANUEL RESIDENCE, OTTAWA

Mr. CARRUTHERS:

1. In what year did the government acquire the Manuel residence on Vittoria street, Ottawa?

2. What was the price paid?

3. What was the yearly rental paid to the government for the rental of the residence up to 1918?

4. How much money was spent by the government on said residence in the year 1918, and the first three months of 1919?

5. To whom was the property leased in 1919?

6. When did he move into said property?

7. From what date did he pay rental?

8. What was the amount of the rental per year?

9. By whom were the taxes paid?

10. What was the amount of the taxes for the years 1919, 1920 and 1921?

11. What amount was spent by the government in upkeep and maintenance of the residence, during each of the years 1919, 1920 and 1921?

12. How much per year was paid to the lessee during these years by the government of Canada as an allowance for a residence?

Hon. Mr. GRAHAM:

1. 1912.

2. $100,000.

3. $3,000.

4. $6,992.54.

5. Hon. E. N. Rhodes.

6. April 4, 1919.

7. May 1, 1919.

8. $1,000 per annum and water rates.

9. Department of Public Works.

10. 1919, $908.55; 1920, $969.60; 1921, $986.33.

11. 1919, $12.55; 1920, $334.20; 1921, $72.01.

12. No information.

KINCARDINE DREDGING

Mr. HUBBS:

1. What was the cost of dredging Kincardine harbour during the years 1922 and 1924, respectively?

2. To what depth was the harbour dredged in each of these years?

Hon. Mr. KING (Kootenay):

1. 1922, $13,369.80; 1924, $11,709.82.

2. 1922, 14 feet; 1924, 16 feet.

CONVEYANCE OF MAILS, VANCOUVER, B.C.

Hon. Mr. STEVENS:

What is the total annual cost of carrying mail, (a) to and from the Vancouver post office to the Canadian Pacific depot, and, (b) to and from the oriental and Australian steamship service on the wharf?

Hon. Mr. MURPHY:

(a) This work forms part of a general contract covering the conveyance of mails between Vancouver post office and the different postal stations, railway stations and wharves. The annual expenditure under this contract amounts to approximately $24,000, but it is not possible to state what portion of this amount is attributable to the service to and from the Canadian Pacific depot.

(b) The conveyance of mails to and from the wharves in connection with the oriental steamship lines forms part of the general contract at $24,000 per annum. As explained in (a), it is not possible to state what portion of this amount is attributable to the service to and from the wharves in connection with the oriental steamship lines.

The service in connection with the conveyance of mails to and from the Australian steamships is provided by the Union Steamship Company of New Zealand, Limited. They carry such mails free of charge in consideration of the subsidy payment of $100,000 per annum which they receive from the Department of Trade and Commerce for the service between Canada and New Zealand.

UNOPPOSED MOTION FOR PAPERS

WINCH BUILDING, VANCOUVER, B.C.

Sir HENRY DRAYTON:

For a copy of all correspondence, letters, telegrams, options, agreements, and other documents, regarding the purchase of the Winch building, Vancouver, British Columbia. Also a copy of tenders or letters offering to purchase the old Post Office building and site on the corner of Pender and Granville streets, Vancouver.

ROYAL BANK AND UNION BANK

Mr. G. G. COOTE (Macleod) moved:

For a copy of all correspondence passing between the government or any member thereof, and the Royal Bank of Canada or the Union Bank of Canada, or any of the directors of the said banks, or any other parties, in any way relating to the amalgamation of the Royal Bank of Canada and the Union Bank of Canada.

Hon. J. A. ROBB (Acting Minister of Finance): To oppose this motion might lead some person to believe there was something to hide. To consent to it would create a precedent that might in the future be embarras-

sing to finance ministers and might not be in the public interests. The Bank Act provides—whether rightly or wrongly I am not arguing—that certain information given to the Minister of Finance is regarded as of a confidential nature. Under those circumstances perhaps my hon. friend would withdraw the resolution. If the resolution is passed I shall vote against it, and I shall reserve to myself as Acting Minister of Finance the right to determine what is confidential and what information it is best in the public interests should be withheld.

Motion negatived.

WELLAND SHIP CANAL—CONTRACTS

Mr. G. G. COOTE:

For a copy of all contracts entered into by the government for work now under construction on the Welland Ship canal, including harbour works at Port Colborne and Port Weller. Also a statement showing the amount paid to said contractors and the estimated amount which will be required to be paid for the completion of the said contracts.

Hon. Mr. GRAHAM: If my hon. friend insists on the motion going through in this form he probably will not get the information this year. For this reason: These contracts are voluminous documents; it will cost hundreds upon hundreds of dollars to have them copied. The new Welland canal has been under contract, except for a short interim during the war, since 1913, with all the original contracts and all the later contracts. Preparing this information would mean engaging a staff to copy page after page of closely printed matter. If the hon. member wants to use the information that will be embodied in this return this year, he may come over to the department and I will give him everything he ought to have, and he will have it for use in the estimates, if that is what he wants it for; but if we start in to obey the order of the House, the hon. member will not get it this year.

Mr. COOTE: I understood the question as I had asked it would not entail a great deal of work. However, in view of the statement of the Minister of Railways, I will withdraw the resolution.

Mr. GRAHAM: The department will give my hon. friend all the information.

Motion withdrawn.

COMMITTEE ON OCEAN RATES

Hon. Mr. STEVENS:

For a return setting forth the total expenses incurred by the special committee in its investigation into Ocean Rates, showing, (a) full amount paid to Mr. Symington in fees, (b) the amount in fees still due to Mr. Symington as counsel, (c) total amount paid and incurred for expenses to Mr. Symington, (d) the amount paid to each witness for fees and for expenses, (e) the amount paid or proposed to be paid to Sir William Petersen for fees, or, and, for expenses, (f) amount in full paid to W. T. R. Preston in fees or, and, for expenses since January, 1924; and all other expenses, including reporting and printing, incurred by the committee, or by the authority of the government, and that said return to this House be made concurrently with the presentation of the report of said committee, and shall set forth in full the total costs of said committee and the investigation.

Hon. Mr. LOW: I have no objection to bringing down the return, but it will be utterly impossible to comply with the request that the return be brought down concurrently with the report of the Ocean Rates committee. If the hon. member presses that portion of the motion the return will be very incomplete. As a matter of fact we have none of the accounts, they are not in yet; but if the hon. member will drop the last portion of his motion the return will be brought down before the session closes.

Mr. STEVENS: May I point out to the minister and to the House that in matters of expenses of this character with reference to the committee, they are all supposed to be cleaned up when the committee concludes its labours. It is not a case of expenses that are incurred after the committee has finished its sittings. Furthermore, a considerable portion of this has already been brought down, but I want it brought up to date, that is all. While I do not wish to embarrass the minister, I think if he will let the resolution pass as it is and give it a little further thought, he will find that the return can be fairly complete.

Mr. LOW: It is impossible to do that. If the hon. member insists, the return will be very incomplete.

Mr. STEVENS: Rather than have an emasculated return. I will gladly amend it by cutting out the last words, but the minister and, I am sure, the government will appreciate what is wanted.

Mr. SPEAKER: The motion is amended by striking out all the words after the word "government" in the third last line.

Motion as amended agreed to.

PRIVILEGE—HON. MR. KING

EMPIRE DAY—FLAGS ON PUBLIC BUILDINGS

On the Orders of the Day:

Hon. J. H. KING (Minister of Public Works): I rise to a question of privilege. On May 25, Empire Day, the hon. member for Vancouver South (Mr. Ladner) intimated to the House that there had been a deplorable

absence of flags on government buildings, suggesting in his remarks that the practice followed this year differed from that of previous years. I at that time promised that I would make inquiries in the department in order to see if anything had been omitted. My inquiries showed that there had been no change; that the practice followed this year was the practice that had been followed each and every preceding year. I had not intended bringing the question up again, because it is a matter that should not be canvassed back and forth, in an endeavour to make political capital out of it. I find, however, in Saturday Night of June 6, this statement:

Mr. Ladner by his protest gained the attention of Hon. Doctor King, the Minister of Public Works, under whose charge all buildings come, and he promised to look into the omission at once.

I made no such promise. I said I would make inquiries. The inquiries have revealed the fact that there were no omissions; that the practice this year was the same as had been followed in previous years.

Mr. L. J. LADNER (Vancouver South): Mr. Speaker—

Mr. SPEAKER: No debate is allowed on a question of privilege.

Mr. MEIGHEN: The minister has been allowed to speak.

Mr. LADNER: I do not understand the technique of procedure, but the minister in his statement now conveyed the impression of a statement which I did not make. I made no such statement of comparison. I made the direct statement that on entering the parliament grounds, one would observe that the flags were not flying.

Mr. H. C. HOCKEN (West Toronto): Will the minister assure the House that in future observance will be given to that day?

Mr. KING (Kootenay): Yes. We have instructed the department that these flags which have never been flown before around the parliament buildings on occasions of that kind be raised and be on hand on that date.

AUSTRALIAN TREATY

On the Orders of the Day:

Mr. J. A. CLARK (Burrard): I should like to ask the Acting Minister of Finance whether Mr. Ross has yet arrived in Australia and, if so, what progress is being made towards the ratification of the Australian treaty?

Hon. J. A. ROBB (Acting Minister of Finance): I have not yet heard of his arrival.

RHINE FRONTIER

On the Orders of the Day:

Mr. WILLIAM IRVINE (East Calgary): I desire to ask the government a question arising out of a despatch from Paris to the Canadian Associated Press of this date:

The Havas News Agency correspondent at Geneva says he is authorised to announce that in the note which Foreign Secretary Austen Chamberlain of Great Britain to-day delivered to Foreign Minister Briand, Great Britain guarantees the security of the Rhine frontier as laid down in the Versailles Peace Treaty, and will consider as a cause for war any violation of the territorial clauses regarding the Rhineland.

Great Britain offers to place at the disposal of France and Belgium in order to guarantee the security of the Rhine frontier in case of attack, the entire British military, naval and air forces, according to this report. The guarantee does not extend to Germany's eastern frontiers between Poland and Czecho-Slovakia.

Has Canada been consulted in this matter at all, or is Canada committed in any way to this pact?

Right Hon. W. L. MACKENZIE KING (Prime Minister): Before answering my hon. friend's question, I should like to see for myself the particular despatch to which reference is made. I do not mean the newspaper despatch; I mean the document that is supposed to have been sent by the Secretary of State for Foreign Affairs to France. I will take steps to find out the nature of it and I will let my hon. friend have a reply later on.

PULPWOOD CONCESSIONS

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): Will the Minister of the Interior explain why a pulpwood concession has recently been granted in Manitoba without any public auction being held?

Hon. CHARLES STEWART (Minister of the Interior): No pulpwood concession has been granted in Manitoba other than the one that was held by Mr. McArthur.

Mr. WOODSWORTH: Has no recent action been taken with regard to any alteration in connection with the parties or the terms of this concession?

Mr. STEWART (Argenteuil): Yes, and when it is completed, I shall be glad to make an explanation. The matter is still under advisement.

DECORUM OF THE HOUSE

On the Orders of the Day:

Mr. H. C. HOCKEN (West Toronto): Is it in order for members of the House to appear in deshabille?

Mr. SPEAKER: Hon. members are required to maintain the decorum of the House according to the rules. I would be sorry that in Canada we should make our politics in shirt sleeves.

HOME BANK

PROPOSED PAYMENT OF DEPOSITORS TO THE AMOUNT OF $5,450,000

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

Resolved, that it is expedient to provide for the payment out of the consolidated revenue fund of the sum of five million four hundred and fifty thousand dollars for the purpose of paying to the several persons who were creditors of The Home Bank of Canada for money on deposit or in current account such proportionate part of the amounts for which they are determined to be creditors in the liquidation proceedings as the said sum will provide, and to authorize the Governor in Council to raise by way of loan such sum as may be required for the purpose of making the payment aforesaid.

He said: Mr. Speaker, the resolution upon which will be founded a bill, provides for partial payment—about thirty-five per cent—to the depositors of the Home Bank of Canada. The Canadian banking system provides for the double liability of all shareholders of a bank, provides for the redemption at par of the bank notes authorized and issued by a Canadian bank, but does not provide guarantee of deposits. I emphasize this fact so that it may be clearly understood that under our system of banking, and indeed under most of the banking systems of the world, governments do not guarantee deposits. Canadian chartered banks are required to submit to the government sworn statements of their position. We have now government inspection of banks. Every care is exercised to protect the public. But the law makes it clear that deposits are not now, and never have been, guaranteed.

The resolution, and the bill to be introduced, is to implement what many people regard as a unanimous order from the members of this House, under date of the 17th of July, 1924. It is presented to parliament in this form, so that this House, which in July, 1924, unanimously approved the report of the Banking and Commerce committee, may now have an opportunity of sharing the responsibility of the measure proposed to discharge what the Banking and Commerce committee regard as a moral claim.

The Home Bank of Canada closed its doors on the 17th day of August, 1923. A petition was presented in the month of January, 1924, to the government, praying for a grant for the relief of the depositors. An order in council was passed on the 27th February, 1924, appointing Hon. A. J. McKeown, Chief Justice of the Court of King's Bench of New Brunswick, a commissioner under the Enquiries Act to make an investigation into the affairs of the bank at and prior to the date of the failure. The report of the commissioner was duly presented to the House of Commons and referred to the Banking and Commerce committee. The report of the Banking and Commerce committee thereon was presented to the House of Commons on the 1st day of July, 1924, the concluding paragraph being as follows:

Your committee consider that the facts brought out in the interim report submitted by Mr. Justice McKeown and the evidence therein referred to establish that the depositors of the Home Bank have a moral claim in equity for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

On the 17th of July the report of the Banking and Commerce committee in this behalf was unanimously concurred in by the House. Subsequently, on the 18th July, the Prime Minister, in the House of Commons, after quoting the concluding paragraph of the report hereinbefore set out, stated that the government would give careful consideration to the report which had been accepted unanimously by the House and at the next session of parliament would make an announcement as to the extent to which, in their opinion, parliament should be asked to recognize the moral claim which in the report it is stated the depositors of the bank have.

The amount of the claims of depositors, owing to adjustments which are being made from time to time by the liquidator, have not yet been settled in the liquidation proceedings. The net amount that will be due to persons in the position of depositors when the list of creditors is finally settled by the court will be approximately $15,500,000. The government proposes that, as outlined in the resolution, a payment of $5,450,000—equal to about 35 cents on the dollar,—be placed in the hands of the liquidator for distribution among the depositors. This will enable the liquidator to make a distribution of approximately thirty-five per cent of their claims to the depositors. The depositors have already received a payment of twenty-five per cent through the liquidator. While it is not yet possible to determine what the remaining assets of the failed bank will yield, the liquidator anticipates that there will be a further payment of at least ten per cent from the

asets. That means that from the assets and this payment, if authorized by parliament, the depositors of the failed bank will receive approximately seventy per cent of their claims.

Mr. MACLEAN (York): Does that statement take into consideration the fact that more money will come into the liquidators' hands from those shareholders who—

Mr. SPEAKER: Order. I hope hon. members will reserve their questions until we have resolved ourselves into committee of the Whole.

Mr. ROBB: I shall be glad to go into that when we are in committee.

I said a moment ago that there was not in Canada government guarantee of deposits. The same condition prevails under the British banking system, but we have in the United Kingdom a precedent for the action we are taking to-day. There is an English precedent for parliamentary recognition of depositors in a failed banking institution. During the war, the British government employed a banking firm known as McGrigor's as army agents to distribute to army officers the pay coming to them from the government. Many of the army officers, after receiving their pay, deposited it with the company which was popularily known as McGrigor's Bank. The company failed and was only able to pay an estimated twenty-five per cent to depositors. The Under-Secretary of State for War, in the House of Commons, on the 24th November, 1922, in supporting a supplementary estimate of £340,000 for distribution among the army officers who were depositors in the company, said:

> The War Office have no legal liability whatever for any banking business conducted by army agents, nor are they in any way responsible for such business. The Government, however, recognizes a moral claim on behalf of those whose accounts directly originated through army connection with the firm as agents, and a supplementary estimate will be laid, with the object of giving them substantial relief estimated at ten shillings in the pound in addition to the existing assets.

We have here a British precedent for the measure now submitted to parliament. The United Kingdom recognized no legal obligation to depositors, but on account of war conditions a moral claim was recognized by paying a percentage of losses. In that spirit, and following the unanimous resolution of parliament last session, we submit this measure.

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

Mr. HANSON: I would like to ask the Acting Minister of Finance why it is that the government has adopted this method, of bringing in a bill to vote this money rather than by a supplementary estimate which was the method followed under the British precedent quoted by the acting minister.

Mr. ROBB: If my hon. friend has been following me, he would have observed that I gave the reasons in my introductory remarks.

Mr. HANSON: I did not observe them.

Mr. ROBB: Does my hon. friend wish me to make that speech over again?

Mr. STEVENS: Just say it was more expedient. That would cover it.

Mr. IRVINE: Is it proposed to pay the depositors who had small sums on deposit in the bank the full amount of their claims, or is this sum to be allocated among all the claimants?

Mr. ROBB: The amount is to be paid to the liquidators, and the intention is that all shall share and share alike.

Sir HENRY DRAYTON: I wonder if the government make any provision for the necessitous depositors? After all, the proper way to look upon the whole of this thing, as I see it, is as a relief measure, and only as a relief measure. If we look upon it as such, it ought to give relief where relief is required. I am told that a number of necessitous depositors have had to assign their claims for nominal sums, and it occurs to me that special notice should be taken of those cases and consideration given to the fact that the great delay in taking action has made their necessities all the more acute; consequently there is all the more reason why we should try to protect them. I do not say that those who have bought claims should be made to suffer, but I do say that the speculator in the misfortunes of others, perhaps a speculator with a little inside information of what the government was likely to do, ought not to get more than the return of his money with a reasonable rate of interest. As this is a grant in relief of the depositors, the relief ought to go where it really is required. What does my hon. friend say to that suggestion?

Mr. ROBB: It is a suggestion worth considering, and it will be something for the liquidators to determine. We did not wish to make any difference in treatment as beween the large and the small depositors. It is news to me that there has been speculation of the character my hon. friend describes.

Sir HENRY DRAYTON: I have been told so. My hon. friend is in a position to find out from the liquidator.

Mr. ROBB: If such is the case we will try to see that the speculator does not profit.

Sir HENRY DRAYTON: I would point out that under the resolution all the liquidator can do is to pay every depositor ratably. I wonder if it would not also be a good thing for my hon. friend to consider this?—suppose you have the wealthy man, the man of affairs, who should be able to look after himself just as well as anybody else, and you also have, for instance, the miner at Fernie. To the latter the Home Bank was his only possible opportunity of making deposits. He knew nothing about business or banking, but he and his fellow-miners contributed three-quarters of a million dollars of the deposits of this institution. We are here frankly discussing a relief measure. Now, as between the miner and the man of affairs, does not my hon. friend think it would be a good deal better to pay the miner in full and nothing to the other man?

Mr. ROBB: Does my hon. friend recommend that we should pay only the small depositors, say up to $8,000? I should be glad to talk that over with him.

Sir HENRY DRAYTON: I would certainly look upon the relief of the necessitous as being the prime motive behind the House in making this grant.

Mr. ROBB: That is the real motive.

Mr. GRAHAM: If we made a distinction between the amounts of the deposits, might not a very wealthy man with only a few thousand dollars in the bank profit at the expense of a man in ordinary life who might have deposited his all? In such a case the man of wealth would get his money, while the other would get nothing.

Sir HENRY DRAYTON: That is not my suggestion at all.

Mr. GRAHAM: You see the difficulty of applying the principle?

Sir HENRY DRAYTON: My hon. friend has not caught my suggestion. I am not saying anything about the amounts of the deposits, I am directing attention to the need of the depositor for relief. While it well may be that a man worth a great deal of money has only a couple of hundred dollars on deposit, some of the Fernie miners, for instance, might have placed the savings of their lifetime in the institution. Therefore my hon. friend is quite right, it would be absolutely wrong to approach the subject from the standpoint of the amount of the deposit. That is not what I was thinking of at all, I was thinking of the necessitous case.

Mr. FORKE: Who is to be the judge?

Sir HENRY DRAYTON: The liquidator should be in a position to report to the government without very much trouble. The government has opportunities of getting the necessary information; through its taxing machinery it can tell pretty well who does and who does not need relief. And the liquidator, too, could easily adopt a form which would cover the question of other assets.

Mr. GRAHAM: What would you do in the case of a municipality?

Sir HENRY DRAYTON: I quite admit, at once, that there are some cases to which you could not apply the rule. I would not apply it to a municipality, for its deposit represents the money of a whole lot of people who are more or less necessitous. I would certainly look upon a municipality or a charitable institution as a preferred creditor. I throw out the suggestion to my hon. friend. It does seem to me there is something in it if I correctly understand the basis of this grant. Personally, I should like to see this money so applied that there would be just as little suffering as possible in Canada as a result of the failure of this bank.

Mr. McDONALD (Timiskaming): Will the adoption of this principle establish a precedent which would justify the depositors of the Farmers' Bank coming to parliament and asking for similar treatment?

Mr. ROBB: The depositors of the Farmers' Bank have already been before both Houses of parliament for relief. In my introductory remarks I tried to make it clear that under our banking law there is no government responsibility for deposits. In this case we admit a moral claim, on the report of the Banking and Commerce committee.

Mr. McDONALD (Timiskaming): Is there not the same responsibility towards the depositors in the Farmers' Bank as there is towards the depositors in the Home Bank? Evidently it was through some mistake on the part of the Finance department, coupled with remissness of the directors of the bank, that this failure took place. The conditions were somewhat similar in the failure of the Farmers' Bank. I believe the Liberals at that time made a strenuous effort to get the government of the day to pass a resolution somewhat similar to that now before the House.

Mr. HOCKEN: Mr. Chairman, knowing a good deal about the distress caused by the

failure of the Home Bank, I am strongly in favour of some relief being given to the depositors, and will support it. The minister tells us that the government is not responsible to depositors. In my judgment the sooner the Bank Act is amended so that savings bank depositors will have a guarantee from the government, the better it will be for our banking system generally. No doubt a good deal of distress was caused to business men, but I think we should differentiate between savings bank depositors and business depositors. I am not arguing for that to be done in the present instance, but I would suggest to the minister that when the Bank Act is next revised savings bank depositors in our chartered banks should be guaranteed their deposits just the same as the note circulation is guaranteed at the present time. There are many cases where people put their little savings away in this bank in ten dollar bills from time to time, relying upon the government to protect them. I submit that if the savings bank depositors had been guaranteed, in all probability the charter for the Home Bank never would have been granted. I think it is notorious that it never should have been issued. And if under the Bank Act the government would have had to reimburse all savings bank depositors in case of failure, perhaps the Home Bank would never have been brought into existence. We cannot make any mistake, Mr. Chairman, in placing the most direct responsibility upon the government of this country for the safety of the funds of the poor people. They deserve that protection from the country because of their thrift; they are the kind of people who above all others should have consideration from this or any other government. They are among the best people we have, men and women who put away their little sums week by week as a nest egg for a rainy day or for old age, but who, on account of the sudden collapse of the bank, find that they have lost the savings of ten or fifteen years. With what the hon. member (Sir Henry Drayton) says about this being a measure of relief I am in entire agreement. I am at a loss to see just how it can be worked out in the present instance. We are right up to the point of making the grant, and if it could be done as he suggests I would be strongly in favour of it. But I would ask that the Bank Act be amended so as to afford complete protection of savings bank depositors. In the present instance I am going to vote for the motion of the government.

Mr. ROBB: If my hon. friend and I are both in the House when the next revision of the Bank Act takes place, I shall be prepared to discuss the question of guaranteeing savings bank deposits. I understand that that was discussed on the last revision that took place, and different opinions were expressed with regard to it. However, that is not before us to-day. Now, with respect to the point raised by hon. gentlemen opposite as to the difference between the large depositor and the small depositor—

4 p.m.

Sir HENRY DRAYTON: No, the wealthy man and the poor man.

Mr. ROBB: The wealthy man and the poor man—if it is a moral claim, how are we going to differentiate between those two?

Mr. MEIGHEN: Does the minister himself think there is a moral claim against the country?

Mr. ROBB: I am dealing now with the report of the Banking and Commerce committee, which was unanimously concurred in by this House.

Mr. MEIGHEN: We will discuss that later. But will the minister answer me directly: does he himself consider there is a moral claim against this country?

Mr. ROBB: I am not debating that question. I was a member of the Banking and Commerce committee. In this country majorities are supposed to rule. We are carrying out in this respect the views of parliament.

Mr. MEIGHEN: It is very plain that the minister does not believe anything of this kind; unless he answered very directly he could not more clearly intimate to the House that he does not believe it. Now, does he think there was unanimous concurrence on the part of the House in this report? He knows that protests were repeatedly entered in this House against the loose manner in which reports of committees were received—the House acting upon a report submitted by the chairman or a private member of the committee, who gets up to move the adoption of it and no one understands what is in it, and it is carried. I rose and protested repeatedly, and not only did I rise; the Minister of Justice (Mr. Lapointe) supported me. I do not know what the Acting Minister of Finance did, but if he did not by word—

Mr. ROBB: No, I was on the deep blue sea that day.

Mr. MEIGHEN: Yes, where the Petersen contract is now.

Mr. GRAHAM: I was acting minister, and I do not think I said a word.

Mr. MEIGHEN: If the minister had spoken I am sure he would have said exactly the same thing. All this talk about "concurrence" is only to hide behind a screen; there was no such thing. The question we have to decide is this: Is there a moral or a legal claim? If there is a moral claim it is just as binding on Canada and on the treasury of Canada as any legal claim ever could be; there is no distinction whatever between the two. But why not come at once to the point and decide whether there is either a moral or a legal claim? If there is neither, then there is no justification in acting save on the principle of relief, and we have to frame our measure on that basis. If there is a scourge at Regina, at Englehart, at Halifax, or somewhere else, we allow so much money so that people will not suffer, or will not unduly suffer, and we do so to the extent we feel the country can afford it. That is where relief operates. You cannot get absolute justice in distributing it. You cannot get everything exactly right; in fact, sometimes you cannot even approximate very closely what is right. But, unless there is a moral or legal claim, you have just got to do the best you can to help the people who need help. I would like the member of the government who contends there is either a moral or a legal claim to get up and show it.

Mr. KENNEDY (Glengarry and Stormont): The minister in introducing his resolution has been very careful to disclaim the establishing of any precedent in this legislation. He likewise stated that the measure would reimburse the depositors to the extent of seventy per cent of their losses, taken in conjunction with the assets of the bank. If legislation of this kind goes through and the money is voted to the liquidator and distributed among the depositors, would the government consider a measure to reimburse them to the extent of the remaining twenty or thirty per cent that may still be coming to them?

Mr. ROBB: Is my hon. friend advocating that?

Mr. KENNEDY (Glengarry and Stormont): I am just asking the minister if the country would not consider itself legally and morally liable to that extent.

Mr. ROBB: My answer is that our measure is now before parliament.

Mr. KENNEDY (Glengarry and Stormont): In the form of a resolution. I would point out that legislation of this kind is likely to be followed up by a request from the depositors of the Home Bank to be reimbursed for the full amount of their losses.

[Mr. Graham.]

Mr. ROBB: Is my hon. friend speaking with authority?

Mr. KENNEDY (Glengarry and Stormont): I am not speaking with authority; I am just telling the minister what I think is likely to happen. Legislation of this kind was passed in the House about ten or eleven years ago in connection with the Farmers' Bank, I suppose for the same reason, namely, that the government of the day thought that the depositors of the Farmers' Bank had a moral claim on the country on account of the possibility of there having been some carelessness in the issuing of the treasury certificate at that time. Now, there was a great deal of hardship among the depositors of the Farmers' Bank, and the government of the day recognized that and recognized the state's responsibility. Would the minister consider including in his resolution the depositors of the Farmers' Bank as well as of the Home Bank?

Mr. ROBB: I will answer that at once—no.

Mr. KENNEDY (Glengarry and Stormont): Perhaps the government is establishing a dangerous precedent; I rather think it is. I do not think the country is morally liable for the errors of any government or any finance minister. I do not think the country should be held responsible if any Treasury board or any Minister of Finance commits an error of judgment. At least I do not think the people of Canada should in every such case be held responsible; I am afraid we would have a lot of responsibility on our shoulders if we did. In view of the answer the minister has given, I am going to move an amendment to this resolution, as follows:

That the resolution be amended by inserting after the word "Canada" in the forth line thereof, the following words, "and the Farmers' Bank of Canada".

The CHAIRMAN: I am in doubt as to this motion being in order. The question that arises in my mind is whether a resolution providing $5,450,000 for the purpose of paying creditors of the Home Bank for money on deposit such proportionate part of the amounts due them as that sum will provide, can be amended so as to include the creditors of the Farmers' Bank and thus divert a portion of the sum provided for the Home Bank to another purpose. I should like to hear the views of members of the committee on this point.

Mr. GRAHAM: Is there such a thing as the Farmers' bank to begin with?

Mr. MEIGHEN: Is there a Home bank?

Mr. GRAHAM: It has not been quite wound up yet.

Mr. KENNEDY (Glengarry and Stormont): The amendment neither increases nor decreases the amount mentioned in the resolution.

Mr. GRAHAM: It makes a change in it.

The CHAIRMAN: It makes a change in the destination of the money grant.

Mr. KENNEDY (Glengarry and Stormont): In a portion of it only.

Mr. MEIGHEN: I think it must mean an additional charge to the treasury.

The CHAIRMAN: Under the rules, a change in the destination of a grant or public charge seems to have relation only to Supply. I question whether it applies to a resolution of this kind.

Mr. MEIGHEN: Perhaps before you decide the point, Mr. Chairman, hon. gentlemen who have another bank that failed should get their application in.

Mr. GRAHAM: Get them all in.

The CHAIRMAN: Do any hon. members desire to speak to this point?

Mr. IRVINE: I do not wish to appear as opposing this bill—

The CHAIRMAN: A point of order is under consideration, I should like to dispose of it first. I rule that this amendment, as it does not increase the public charge, is in order. The question is on the amendment.

Mr. ROBB: Before any other hon. gentleman speaks I wish to place on record an answer to a certain part of the remarks of my hon. friend from Glengarry and Stormont (Mr. Kennedy). If I understood him aright he intimated that if this measure passed we would have a demand on behalf of the depositors of the Home Bank for an additional amount to bring the grant up to one hundred per cent. Now, upon the failure of the Home Bank a liquidator was appointed by the Court, I think on the recommendation of the depositors of the bank. Those depositors themselves appointed a committee to manage their affairs. We have had consultations with that committee and with the liquidator. We have not arrived hastily at the figures we presented to parliament to-day, and I wish now to place on record, so that hon. gentlemen may understand the facts, a letter received by the right hon. the Prime Minister and signed by the members of the committee. This letter is as follows:

Ottawa, May 29, 1925.

Right Honourable
W. L. MACKENZIE KING, C.M.G., M.P.,
Prime Minister of Canada,
Ottawa.

Dear Mr. Premier:

After our interview with you and the Acting Minister of Finance, the Hon. Mr. Robb, this day, and the proposals made in reference to the settlement of the claims of the Home Bank depositors, and having regard to the many financial demands being made upon the government, we beg, on behalf of the National Depositors Relief Association, to assure you that the sum of five million four hundred and fifty thousand dollars, mentioned by you in our interview this day, is satisfactory to our association and we feel will be satisfactory to the depositors generally in Canada.

We deeply appreciate the broad spirit with which you have met our representations and that the measure of relief you propose is fair and reasonable, having regard to existing conditions.

We beg to again thank you and the Acting Minister of Finance, and the other members of the government, for the kind interest which you have always shown us since the matter came before you, and for the assurance that the necessary legislation will be put through immediately.

Signed on behalf of the National Committee of the Home Bank Depositors Association.

W. T. LEE,
Chairman.
W. F. KERNAHAN,
Treasurer.
ARTHUR ENGLISH.
G. G. HENDERSON.
J. P. TREACY.
V. A. SINCLAIR.

Mr. MEIGHEN: Are the names all signed on the dotted line?

Mr. ROBB: The letter is signed by the individuals whose names appear there.

Mr. HANSON: There does not seem to be anybody in the House who is very anxious to speak on behalf of the general taxpayers of Canada in regard to this measure. I want to say very briefly that I am opposed to this resolution. I was opposed to the principle of it in the banking committee, and I was opposed to it in the special committee of the banking committee which brought in the resolution alluded to by the Acting Minister of Finance in which the contention was advanced that there was a moral claim in equity on the part of this country to pay these depositors. Let me say that as a lawyer I do not know what a "moral claim in equity" is, and I do not know that any other man versed in jurisprudence knows either; and I would ask the Acting Minister of Finance if he knows what a "moral claim in equity" is. I know about legal claims, and I know about equitable claims, but this is something different. If it is meant by the expression that

there should be a compassionate allowance to these depositors the question ought to be treated upon its merits but treated as a "compassionate allowance." It is quite apparent, from reading the evidence taken in connection with the failure of this bank and from reading the report of Mr. Commissioner McKeown, that there is no legal or equitable responsibility upon the taxpayer of this country to pay this or any other amount; and speaking for myself, and for myself alone, I am not prepared that my constituents should be taxed, at a time when they are already over-taxed and tax-burdened, to pay such an amount to any particular class in a community no matter how deserving they may be. If this measure passes and becomes law, and this amount is paid to these depositors, the people of this country may just as well make up their minds that now and forever hereafter all bank deposits in this country are going to be guaranteed. I do not agree with my hon. friend from West Toronto (Mr. Hocken) that the government of this country should guarantee bank deposits.

Mr. HOCKEN: Savings bank deposits?

Mr. HANSON: Any kind of bank deposits in a corporation carried on for private gain or with private individuals.

Mr. HOCKEN: You are wrong.

Mr. HANSON: I may be wrong. However, I do not think the people of this country have been converted to that principle, and I hope it will be a long time before they are. If the government of this country is to go into the business of banking and guaranteeing deposits, then let us take our share of the responsibility of the organization and let us get some of the profits in order that a fund may be built up out of which such guarantees as I have suggested can be paid. If, however, this is being treated on the basis of a compassionate allowance I think it would receive a very fair measure of consideration at the hands of this House; but it ought to be put fairly and squarely on that basis and not on the basis of a "moral claim in equity" to use the phraseology employed by the Acting Minister of Finance. Furthermore, I object, on behalf of the ordinary taxpayer of this country, to the method adopted in this case, and I question very much the sincerity of the administration—I do this in all honesty—in bringing in a measure in this form. If the government of this country is sincerely desirous that these depositors should receive this sum of money then I say to it: Bring it as a supplementary estimate where it cannot be interfered with by any other chamber in this parliament. Is it—as has been rumoured—that the government will pass this measure, and get whatever credit before the country there may be for doing so, in the hope that the other chamber will do as it did in the case of the Farmers' Bank? I think there is more than a rumour in that suggestion. There is probably a hope behind it. Speaking for myself, if there is nobody else in this House who will oppose this resolution, I intend to do so, for the reasons I have tried to give very briefly and in a summarized form.

Mr. WOODS: Being a member of the Banking and Commerce committee where this matter was fully discussed and a report prepared which was presented to this House, I was strongly in favour of the report which the committee presented. My grounds for supporting the proposal to reimburse the Home Bank depositors to at least a great extent is this: Perusing the report of Chief Justice McKeown and the evidence which was given, it seemed clear to me, as a man with a simple mind, not a legal gentleman, that when the attention of the Minister of Finance was drawn to the fact that this bank was in a precarious condition some years ago, the Minister of Finance did not take action, either to have the bank taken over by some other banking institution, or to force it into liquidation, and that this course was taken in the interest of the country in time of war. I am in sympathy with the action of the finance minister at that particular time. The country was up against it hard, and the object of the people of the Dominion of Canada was to win the war. The then Minister of Finance stated that he would not have allowed any bank to go into liquidation at that particular time, because it would not be in the interest of the country. Most of the men and women who deposited their money in that bank believed that they were putting it into an institution that was safe, and that they had the government behind them; that was the general impression of depositors at that time. Now if these people believed they were safe in depositing their money in that bank, and the Minister of Finance took action to protect the bank from liquidation, in my opinion it is only justice to those depositors that the country should reimburse them, because their losses were entirely brought about in the interests of the Dominion of Canada, at a time when Canada was faced with that terrible war through which we passed. That is the sole reason why I heartily support the proposition to reimburse the Home Bank depositors

to the extent provided in the resolution now before the House. I am opposed to the amendment because I believe it is an interference with the resolution before us. Therefore I shall support the resolution and oppose the amendment.

Mr. MARTELL: Is my hon. friend supporting this measure on the ground that the loss to these depositors arose as a consequence of the war and for no other reason?

Mr. WOODS: Yes.

Mr. MARTELL: That is the ground on which I support it.

Mr. WOODS: And I support it on no other ground.

Mr. MARTELL: Not on the ground that any other bank would have the right to be reimbursed; otherwise that would be giving a government guarantee to every bank. The hon. member is supporting solely on the ground that the trouble arose as a consequence of the war?

Mr. WOODS: Yes.

Mr. MARTELL: That is my reason, too.

Mr. WOODS: The Home Bank depositors suffered in the interests of the country when we were at war, and on that account they should be reimbursed by this parliament in time of peace.

Mr. IRVINE: I am not very particular as to whether this legislation is presented on moral grounds, compassionate grounds, or on some other grounds. I am very glad that the bill has been introduced, and even although it does not fully compensate all the depositors, still I am sure they will be very glad to be reimbursed to the extent to which legislation provides.

I wish to make a suggestion: I do not know why the government decided to give a certain percentage and not all of the loss. but in view of the fact that the government is not giving sufficient to pay all depositors in full it would appear to me to be practical to decide, say upon a basis of $1,000 or $2,000, that all depositors having that amount should be paid in full, the balance to be paid to the larger depositors pro rata. I think that would be fairer and would perhaps go further in giving the relief which the government no doubt have in mind.

As to the amendment, I shall surely vote against it, not that I am opposed to the Farmers' Bank depositors being reimbursed, but because that does not, in my opinion, properly come under this resolution. I hope the gentlemen who are interested in the Farmers' Bank will bring in another resolution dealing only with the Farmers' Bank, and we will consider it on its merits.

Mr. BLACK (Halifax): The Home Bank failure is one of the greatest "black marks" which banking in Canada has ever experienced. In looking at its early history, my judgment is that this bank should never have received a charter. The charter was granted to a concern that was at the time practically bankrupt. Having received the charter, the management seem to have proceeded to wreck the institution and was not unsuccessful. The principles of good banking were ignored; deception and fraud were practised; so that in the end shareholders, depositors and others suffered severe loss. There was a period when this government could have saved heavy loss to those interested parties, the depositors and shareholders, without costing the country a dollar. But they did not do so; they allowed the bank to go to the wall. Now the country is called upon to provide some five and a half millions to reimburse the depositors who unfortunately made a bad investment by placing their savings in that bank. This is a dangerous policy, forming a precedent and opening the door for further claims, past or future, of similar character. The government is not legally liable; it is not the duty of the government to pay the losses of people who have made mistaken investments. No government should be expected to guarantee any investments, and governments and parliaments have in the past repeatedly set their faces against any such guarantees. It is fundamentally unfair to take the moneys of all the people, in this case by way of taxation, for the benefit of some few people who happen to be Home Bank depositors. Speaking as a member representing a constituency in Nova Scotia, the people of which province have not a single interest at stake, I consider it is palpably unfair to call upon them for money for the benefit of people in Ontario and further west. They should not be asked to reimburse those who have unfortunately lost their money. Nova Scotia has experienced more than one bank failure; the Maritime provinces have experienced bank failures; but did the depositors or shareholders appeal with hat in hand for charity to be reimbursed for those losses? Never. Therefore, it is palpably unfair to ask that part of the country to contribute towards reimbursing those who

have unfortunately lost money in the Home Bank. I sympathize very sincerely with those who have made losses, with anybody who has made losses. Especially do I sympathize with the poorer people, wage earners, whose money was deposited in that bank. Yet I cannot see that the principle of reimbursing those people by this government is fair and just or a principle that should be followed. As a Nova Scotian, I protest against any such vote as is proposed which necessitates calling upon the people of my province to put their hands into their almost empty pockets in order to pay losses made by a few people of this country through what has turned out to be an unfortunate investment.

Mr. BROWN: I propose to vote against the amendment for two or three reasons. Generally speaking, we find that the introduction of amendments leads to confusion rather than otherwise, and they are the means of turning our thoughts away from the main issue. I would oppose the amendment for the further reason that it is not a matter that has been before this parliament. While many members of this parliament may be familiar with the circumstances surrounding the failure of the Farmers' Bank, it must be remembered that this is a new parliament and while we have given some consideration to the question of the Home Bank, we are naturally not in a position at the present moment to consider the question of the Farmers' Bank. I would oppose the amendment also, because this difference lies upon the surface, that the reason that is advanced for the introduction of the present bill—that this is the outcome of certain conditions that prevailed during the war—does not apply as regards the Farmers' Bank. That reason on the surface is sufficient to make a distinction between the two cases. Those who hold that the depositors of the Farmers' Bank have a just claim against the government should present their claim to parliament when we shall deal with it on its merits. For my part, I accept this bill in the same spirit as the hon. member for Dufferin (Mr. Woods) and the hon. member for Hants (Mr. Martell). I wish some consideration could be given to the suggestion made by the hon. member for West York (Sir Henry Drayton), who introduced a new thought into the question. He intimated that there was a possibility that speculators had already been at work. We certainly do not want to do anything to encourage the speculator. If there are those who have been taking advantage of the necessities of the depositors and advancing money to them in the hope that later on they will be reimbursed, we should take steps to see that those gentlemen get nothing more than the actual amount that they have advanced with such interest as may be deemed fair It would be quite possible for us at this time to make a provision that would cover that matter. I can readily see the difficulty that arises when a suggestion is made that there should be discrimination in the payment of depositors. It has been suggested that all sums under $1,000 should be paid in full. It can easily be understood that that would not conduce to equality. It might be that a very large corporation or association or some wealthy man happened to have a small deposit in the Home Bank and other persons, some of whom I know, had all their savings, perhaps some $3,000 or $4,000 or more in that bank, and to pay the one in full and the other in part would be failing absolutely to apply the principle of equity. If any means can be arrived at, any instructions given to the liquidators that would ensure that those who are most in need of relief are to be attended to first, certainly we would like to see that done. But at a glance anyone can see the difficulties that will confront them in arriving at conclusions in the matter. This will naturally necessitate an investigation of the claim of every individual depositor.

Mr. EVANS: I am glad to see that the government recognizes its responsibility in this matter. The failure of the Home Bank entailed great suffering. I could wish that some discrimination could be made in the matter of many of those who became really destitute through the failure of the Home Bank. There are some, I believe, who had their end hastened through grief on account of the loss of all of their savings. That this establishes a precedent, I have no doubt, and from this time forth, doubtless, the people will look on the government as their guardian more than they have done in the past. That they have done so in the past goes without saying. The government has been looked upon as the guardian of the people's property and particularly their investments in institutions like banks which are so closely connected with and privileged by the government. To me the responsibility for these things must be fastened on somebody, and no valid reason was given why this bank was allowed to continue for seven years after it was known by the government that it could not live. In fact, I look upon the government which had the knowledge that this institution was about to fail in 1916, and each government since that time as being criminally neglectfu not less criminal than those directors who have been put behind the bars to serve sentences for varying periods. The responsi-

bility must be placed somewhere, and I have no doubt the people will place it on those who are responsible for the legislation of the day. I am glad the government is now recognizing to some extent its responsibility towards the depositors. I propose to vote against the amendment, but at the same time, I think both the depositors in the Home Bank and the depositors in the Farmers' Bank have a moral claim on the government.

Mr. BLACK (Yukon): Will the full amount of $5,450,000 which is to be voted reach the depositors, or are fees and percentages to be paid out of this? There is a report that persons engaged in lobbying for this relief are to get a commission of five per cent on the total amount. Is this correct, or does the relief go directly to the people needing it?

Mr. ROBB: It is the first I have heard of it. The court has appointed a liquidator, and the government will pay the money over to him.

Mr. STEVENS: Will the government direct in the bill that the full amount shall reach the depositors, to protect, for instance, what the hon. member for Lisgar (Mr. Brown) and the hon. member for West York (Sir Henry Drayton) mentioned?

Mr. ROBB: I think when the bill is presented, hon. gentlemen will be fairly well satisfied. It will make it very clear.

Mr. STEVENS: I think this parliament owes it to the taxpayers of this country to see that every solitary dollar goes to the depositors.

Mr. ROBB: I agree.

Mr. STEVENS: There should not be one single cent diverted in any shape or form, because this amount is entirely in addition to what the liquidator realized last year. Not even the liquidator's fees should come out of this sum, because this is not something that the liquidator has realized as a result of his efforts. It is a free grant of this parliament, and not one cent should be diverted for any legal fees, liquidator's fees, commissions of committees, or any other purpose whatsoever.

Mr. ROBB: I am very glad my hon. friend has emphasized that, because the Prime Minister and I took very great care to emphasize that point to the liquidator and the committee with whom we had a meeting.

Mr. MILLAR: I am willing to accept this legislation which has been brought down, but I would have preferred if the amount had been placed in the estimates. There is one feature that has not been touched on in the discussion that has taken place to-day, and that is this. The depositors in the Home Bank are in a little different position from those of any other bank that has failed, so far as I know. I believe it was pointed out by the report of Chief Justice McKeown that if Sir Thomas White had taken action in 1916 the depositors would not have lost one cent. I may be wrong about that, but I believe I am right. And there is a difference between the failure or the poor judgment of a minister and his deliberate and calculated act. I will not say that Sir Thomas White was wrong in taking the course he did in the interest of Canada as a whole. I think possibly I might have taken the same course, but as a result of his not taking action at that time, the depositors were placed in a position to lose a very heavy sum of money, and as Canada as a whole gained thereby, it is right and perfectly proper, I think, that Canada as a whole should pay.

If possible I would like to see the suggestion that has been made—that the money be distributed according to the need of the depositors—acted upon, but I am afraid that if any attempt were made to do that, it would simply open the door to dissatisfaction. The question would arise, what about the need—the need at the time the bank closed, or the need now? Some depositors may be much poorer at the present time than they were when the bank closed. The more one thinks about it, the more clearly one sees that it would open the door to dissatisfaction. While the suggestion is a good one, I am afraid that it could not be carried out without causing a lot of dissatisfaction. I think it would be better to distribute the money in proportion to the amount on deposit at the time the bank closed its doors. I am afraid I must vote against the amendment because it confuses two issues. Each of these should be brought before the House separately and judged on its merits. For these reasons I must vote against the amendment, and for the bill.

Sir HENRY DRAYTON: I am compelled to say something on this bill owing to the remarks made by my hon. friend from Saskatoon (Mr. Evans) as to the criminality of this and other governments; I suppose he meant, in that connection, the minister. In the first instance, I would like to see if there was any criminality. We will be frank and go right back, because I know the hon. gentleman is talking about 1916, and what he thinks should have been done then and was not done, and

then in a burst of wild imagination he said that anyone responsible for that should be treated just like some other criminals who are now behind the bars, or words to that effect. I would just like to tell the hon. gentlemen in the first place, that I think the hot weather has affected him—

Mr. EVANS: Not at all.

Sir HENRY DRAYTON: —because generally he is much more sensible than that. If Sir Thomas White made any mistake in 1916, I want to tell my hon. friend, there are an awful lot of people in his part of the country who made the same mistake. After all, what did Sir Thomas White do? In the year 1916 he accepted the advice and the judgment of Hon. Mr. Crerar, who, if anybody ought to know anything about it, ought to have known about this matter. That is what happened; nothing else happened. You can talk as much as you like about the war. Of course, the war made it just that much more difficult. I thought somebody might be foolish enough to bring up this question, and therefore I took one or two notes as to the proceedings, and I am going right into what really took place.

In the first instance, I point out that in 1916 the complaint was made to the hon. Minister of Finance, then Sir Thomas White. From whom does that complaint come? That complaint comes from the western directors. And who are the western directors? They are Messrs. Crerar, Persse and Kennedy. In connection with their complaint they go into the whole thing. They give a wealth of detail; they go into different accounts; they show where losses are likely, and complain of management and the like. Papers are received, and the question of going into the whole thing is considered. These people who make the complaints, these people who ought to know; get busy to find out what can be done. Why, Hon. Mr. Crerar comes down here and re-arranges the management. He brings out Mr. Haney and replaces Colonel Mason. More than that, the same hon. gentleman makes valuations of collateral; he goes out to British Columbia and makes a valuation of collateral, and reports to Sir Thomas White that in connection with those large lumber accounts, instead of there being a loss on them, there is a comfortable balance.

I am going to refer to the evidence. I am going to ask the House if any reasonable man in the possession of his senses—and here I do not accuse the hon. member for Saskatoon (Mr. Evans), because I put it down to the weather although he says it is not—would not do just as Sir Thomas White did. I will tell the hon. gentleman again now, so that it will not be overlooked, that on the express request of Hon. Mr. Crerar, Sir Thomas White took no action. Did Sir Thomas White do anything unreasonable in complying with Mr. Crerar's request? Was there anything about Mr. Crerar that the hon. member for Saskatoon is going to suggest ought to have put Sir Thomas White on his guard? Was not Hon. Mr. Crerar a man whose word hon. gentlemen, and particularly hon. gentlemen to my left, would say ought to be taken? Let us take for granted—I think we have a right to do that—that Sir Thomas White was right in looking upon Mr. Crerar as a man of his word, a man of integrity, a man of ability. Does anyone want to challenge that?

Let us see now whether he had any special knowledge in connection with the Home Bank. I submit—and I think the hon. member for Centre Winnipeg (Mr. Woodsworth) will agree with me that there was nothing about Mr. Crerar to put Sir Thomas White especially on his guard against him; and if the hon. member does not agree with me, other hon. members will. They will agree that Sir Thomas White was right. If there was anyone who knew about the Home Bank it was Mr. Crerar. Why, he put the Home Bank on the map in western territory. A director of years' standing, having to do with the sale of the stock and the issue of the prospectus, why, surely to goodness, Mr. Chairman, if there was any one man in the world that Sir Thomas White had a right to think knew about this matter and whose word could be taken, it was Hon. Mr. Crerar, more particularly in view of his standing. Is Sir Thomas White to be blamed throughout the west because he believed in Hon. Thomas Crerar? That is the case put by the member for Saskatoon (Mr. Evans).

Now, as I say, Mr. Crerar, with his company, the United Grain Growers Limited, had to do with the Home Bank for many years. I am going to ask hon. gentlemen to look at page 582 of the evidence taken before Hon. Mr. Justice McKeown. They will there find that the Grain Growers' Grain Company Limited acted as selling agents for the Home Bank in disposing of the stock, and that they got a commission of five per cent. And I may tell the hon. gentleman that they proved themselves to be good people of business. Looking at the daily press, I notice that out of 1,800 shareholders, there are 1,100 located in western Canada as a result of that selling agency. So they did pretty well. They issued a prospectus, and there is no doubt again about this; the hon. gentlemen will find

it at page 583 of the same evidence. I am going to read a short extract from the Grain Growers' prospectus:

Take this opportunity of getting in on the ground floor, not of a visionary bank, but of one strongly established and paying good dividends. Let us have a Home Bank which would be the people's bank. Read this prospectus, and learn about it and think about it.

The Grain Growers' Grain Company believed in the bank. They were not trying to get rid of something they did not believe in; why, they owned a thousand shares of the bank stock at that time And Mr. Crerar believed in it too; he owned sixty-six shares. So far as I am concerned, I have no doubt about the honesty of Mr. Crerar in the representations he made to Sir Thomas White, any more than I have the slightest doubt at all as to the honesty and correctness of Sir Thomas White in believing that Mr. Crerar was telling the truth and knew something of what he was talking about. That is the whole issue; there is no other issue.

The western directors' complaint is dated January 22, 1916. Then Mr. Crerar, as I said before, takes an active part in reorganization. He goes himself and inspects and values the collateral, and after all his activities down here, on March 20, 1916, he writes Sir Thomas White as follows:

Sir THOMAS WHITE,
Minister of Finance,
Ottawa, Canada.

Home Bank of Canada

Dear Sir,—You will have learned from Mr. Lash of our visit to Ottawa to-day to discuss bank matters with you, and our failure to see you through your absence from the city. You will also have learned of the change made at the recent meeting of the Board held in Toronto a few days ago, whereby the active management of affairs is placed in entirely new hands through Mr. Haney taking the vice-Presidency, and assuming direct executive control, with Mr. Machaffie, the Manager in Winnipeg, whom, for the time being at least, he is bringing to Toronto to assist him. By this arrangement I feel quite certain that the knowledge and information concerning the position of affairs desired by the Western Members of the Board, and also the changes they desired when they directed their request to you, and which they saw no hope of securing through the then existing management, can now be satisfactorily obtained without calling in outside assistance. In my opinion, the situation has materially improved within the past month, and, at this juncture with the changes in management recently made, it is better to have the enquiry proceed from within rather than from without.

Owing to the possibility of my being unable to attend a suggested conference with you next week, I am giving this letter to Mr. Lash so that he may place it before you. I may add that Mr. Kennedy, with whom I have discussed the views herein expressed, is in agreement with them. Mr. Persse, the other Western Director, is in the South, and so we have been unable to consult him. I feel however, that were he here he would be in agreement with us.

I am,
Yours truly,

T. A. CRERAR,

There is the letter of protest. There were also interviews, requests, demands, that this bank should not be driven to the wall and destroyed, but should be given an opportunity of carrying on without the publicity that an outside investigation would engender. My hon. friend now wants us to believe that it was a criminal act because Sir Thomas White listened to Hon. Mr. Crerar—for that is what he did, nothing else. This attitude was persisted in by the Hon. Mr. Crerar, and right down until after the smash, according to his evidence before the investigator, that was still his attitude. He was not taking anything back; it was still his belief; and I will give hon. gentlemen some other pages of the evidence where they can find it. Perhaps then they will say something more about Mr. Crerar. For example, referring to the May meeting—the May meeting subsequent to the writing of the letter of March—in his evidence at page 431 Mr. Crerar says:

At this meeting I remember, at the end of May, there was a decidedly optimistic feeling. The western directors felt satisfied with the energetic manner in which Mr. Haney was taking hold of things.

Again, according to the evidence, his opinion remained unchanged. Why, Mr. Crerar himself sold part of his stock in 1918, and he sold the balance in March, 1923. These sales were made after he resigned from the board. Hon. gentlemen will remember that he resigned on entering the Union government. In answering a question put to him in connection with these sales, at page 487, he says:

I had no more inside information than any of the other directors had. I had been off the board for over six months—

This is when he is asked why he sold his stock.

—and I want to say now, Mr. Reid, and I want to make it perfectly clear to you and to the court, that at that time I thought the bank was getting into a good position, and I did not sell my shares, if your question implies that, because I had a doubt as to what might happen to the bank.

Again on page 488:

Q. What reason had you to think the Home Bank of Canada was all right at that time?

That is, the time when the stock was sold, as late as 1923. His answer is:

Because I had confidence in the management of the bank at that time, and I thought its position was improved.

There is Mr. Crerar's testimony. Honestly—and it is just as well to be honest with ourselves sometimes, if we cannot be with anybody else—honestly, who ought to know more about the affairs of the Home Bank in 1916, the man who gets the formal reports and the formal complaint, or the man who makes the

formal complaint, the man who was looking after the sales of the stock?

Mr. MORRISON: Why does not the hon. gentleman refer to the general manager of the Home Bank instead of to Mr. Crerar all the time? The general manager knew the whole inside story.

Sir HENRY DRAYTON: My hon. friend is making an interruption. He can talk as much as he likes a little later on. But I do not mind answering questions. I am not saying that Sir Thomas White stopped this investigation because he was told anything by the manager. If I said so it would be untrue. The reason he stayed his hand was because of what he was told by Hon. Mr. Crerar. There was no crime in Mr. Crerar's telling him that. What I am saying to-day is justified, and necessarily so, by the remarks of the hon. member for Saskatoon.

Mr. MORRISON: Who knew better than Hon. Mr. Crerar? The general manager knew better.

Sir HENRY DRAYTON: The general manager was under a cloud; Mr. Crerar had made his charges against him—that it was necessary he should be got rid of. He was in process of elimination, and he was eliminated.

Mr. EVANS: Did Sir Thomas White not know at the time?

Sir HENRY DRAYTON: Know what? All Sir Thomas White knew was that Hon. Mr. Crerar had made complaints to him; that Mr. Crerar had been a director for six years and was in a position to know what was going on—or should be if he had been carrying out his duty, as I assume he was—at any rate, Sir Thomas White had a right to assume it. The general manager was the man under suspicion, and the very worst thing to do would be to go to him. Mr. Crerar says, he must be got rid of. Mr. Crerar reports he is got rid of; there is a new management; all is well; keep your hand off our institution. And because that is done, hon. gentlemen suggest that Sir Thomas White should be behind the bars. Well, there is the action taken by Sir Thomas White on the strength of what he got from Hon. Mr. Crerar, and I submit that Sir Thomas White was perfectly justified in taking that action, just as Hon. Mr. Crerar was perfectly justified in doing what he did. Hon. Mr. Crerar was honest, I think, in every single thing he did in that connection. But because a minister of the crown believes in a man of the standing of Hon. Mr. Crerar, a man who knows the business, a man who makes a complaint and then says, "Stay your hand, it is all right,"—anyone who makes a suggestion that that was improper on the part of the minister is not doing himself justice. What was there about Hon. Mr. Crerar that would put Sir Thomas White on his guard? What was there about his morals or his standing to make Sir Thomas White think he was not a man fit to consult with, that he was not a man whose word could be taken?

Mr. McMASTER: Nothing.

Sir HENRY DRAYTON: Nothing; the hon. gentleman is perfectly right. I think Hon. Mr. Crerar went into that thing with the best of motives; I think he sold the stock with the best of motives; I think he wanted to build up the concern properly, and that his complaint was absolutely right. Moreover, I think he was right in going around and making his valuations and the like, though it turned out he was wrong—

5 p.m.

Mr. McTAGGART: Does the hon. member seriously contend that the responsibility of the Minister of Finance ended with the assurance from one of the directors that the affairs of the bank were in better shape?

Sir HENRY DRAYTON: The situation was this: The position of the bank is drawn to his attention by the three western directors. He takes the question up with them and they arrange for a change of management. They are satisfied that they can pull the bank through, and he happens to believe it—he happened to believe that they could pull it through and that they should be given a chance. What other responsibility is there except to take the reports as they are put in from time to time? Was he to believe that all these reports were false, as subsequently turned out? His whole liability was confined in the first instance to what was referred to in that complaint. The complaint being settled the way it was; and the reports being what they were, what else was there? There was at that time no inspection of banks, there was no right to go in and pull them about in all directions as there is now. There was then no highly paid official giving all his time to going about among the banks and getting the facts. What else could Sir Thomas White do? He could either put the bank out of business, or he could say, "Mr. Crerar is a pretty good chap; I am going to give him a chance to pull this institution out of the hole"—and he did it. I have given you Mr. Crerar's evidence and have quoted his letter. It is of no use to base an argument upon doubt or surmise; here are the facts. Now, the next question is, did Sir Thomas White act rightly—

Mr. STEWART (Humboldt): The hon. member has based his argument on the suggestion that action was taken wholly on the responsibility of Hon. Mr. Crerar. Does he think that Sir Thomas White, then Minister of Finance, gave no consideration to the effect the failure of the bank would have on the affairs of the country at that critical time, and that that did not influence his judgment in the matter?

Sir HENRY DRAYTON: There is ample reason without it. With it, of course, the situation is complicated. But I am not going to give my own opinion, nor shall I merely use newspaper reports, and that sort of thing, where many loose things are said; I will refer to the evidence itself.

Mr. STEWART (Humboldt): I have not the evidence before me. Is that not in the evidence?

Sir HENRY DRAYTON: I will refer to some pages of the evidence. At page 744 Sir Thomas White says:

Mr. Crerar comes down to Ottawa and tells me that the condition of the bank is improved and that it is not necessary to have an outside investigation, that with the board re-established and the confidence they have in Mr. Haney they do not want an outside investigation by the minister, they can handle things themselves.

Then again, at page 746, where he is explaining to the commissioner the things that moved him, and where he is quoting from Mr. Crerar's letter, he says:

The condition of the bank is good.

This is from Mr. Crerar's letter.

We have reorganized the board and we can make this investigation from the inside; you do not need to investigate from the outside, and run this risk that we are all afraid of.

Then again, at page 750, he goes over the whole letter and stresses the point that Mr. Crerar was a man for whom he had the highest regard, was the man who knew about this affair and whom he believed it would be safe to follow. He put this question to the commissioner:

Now what would your lordship do if you got that communication from Mr. Crerar, you being in my position? I just leave that with your lordship.

At page 752, Sir Thomas refers to the valuation made by Hon. Mr. Crerar, as a result of which both Mr. Haney and Mr. Crerar came to the conclusion that the timber securities held by the bank showed a fair margin in value over the amount of the bank's claim. He also refers to a resolution of the board of directors containing the report of the valuators, in connection with which he quotes the following:

The board unanimously concluded that they should endeavour, by all reasonable means within their power, to improve the position of the bank, so that it might be able to go on in ordinary course, and the board expressed the opinion unanimously that if a proper opportunity were given to do what was necessary to bring about the result indicated, they would be able to succeed.

That was how the situation presented itself to Mr. Crerar. Then again at page 752; Sir Thomas White says:

I say, supposing that in the face of that letter in which they all say that if a proper opportunity were given to do what was necessary to bring about the result indicated, they would be able to succeed, and having before me at the same time the assurance that Haney and Crerar believed there would be no loss on the Frost account, and that Haney had come back from New Orleans and pronounced that the New Orleans matter might be pulled through, or substantially so, and they had also the liability of the Prudential Trust Company by way of guarantee—I say, if I had wrecked the bank at that time, what would they have said as to my judgment or discretion? Why there would have gone up a cry to high heaven against the Minister of Finance, who in the face of that report would dare to close the Home Bank of Canada; they would have said I was in league with the big interests; and I am very much mistaken if Mr. Lee, at that time had discussed these matters, that he would not have cried to high heaven against the injustice of my action in the face of Mr. Crerar's report, Mr. Crerar, who afterwards became one of my colleagues, and Mr. Haney's report. A great deal would have been said about the practical man's judgment as opposed to that of a theoretical man like the Minister of Finance.

I am just making these quotations to answer the question put by the hon. member for Humboldt (Mr. Stewart) as to the effect of the representations made upon Sir Thomas White; I am giving him Sir Thomas White's own evidence. At page 754 Sir Thomas says:

Now I wish to call your Lordship's attention to this fact. The evidence of the Hon. Mr. Crerar absolutely substantiates my evidence as to this period. Mr. Crerar was in a very much better position, being on the inside, to know the situation, than I was. I could only look at it through the letters that were sent to me. Mr. Crerar had been a director for years, and so he should have been—and so far as I was concerned, he was, in my view—intimately connected with the affairs of the bank. Suppose Mr. Crerar had been Minister of Finance at that time, in 1916; and suppose Mr. Lafleur had asked Mr. Crerar in the box here this question: "Mr. Crerar, if you had been in Sir Thomas White's place, in view of the evidence you have given would you have closed up the bank?" How could Mr. Crerar answer anything else than no, in the face of his letter to me.

The thing, Mr. Chairman, is so plain that if it were not for the mistaken views of my hon. friend I would not inflict these quotations upon the House. Again on page 734 Sir Thomas White says:

Now, Mr. Commissioner, I just want, in closing for to-day, to leave this thought with your lordship: In view of the Crerar-Haney report, in view of the

Haney report with regard to New Orleans, in view of the opinion expressed by Mr. Crerar, and his fellow directors from the west, what would they have said in 1916 if I had closed up the Home Bank?

Yes, and we might stop here and ask what would the hon. member for Saskatoon (Mr. Evans) have said at that time if Hon. Mr. Crerar had been turned down and a western bank put out of business? Why, the echoes from the yell that would have gone up from those eleven hundred shareholders would be still ringing.

Mr. McMASTER: Down here we did not catch the sotto-voce remarks of the leader of the opposition.

Mr. MEIGHEN: I was just emphasizing the well spoken words of the hon. member for West York. I commend them earnestly to the hon. member for Brome.

Mr. McMASTER: I was listening carefully.

Sir HENRY DRAYTON: Sir Thomas White goes on:

Well, I know what they would have said. They would have advocated appointing a committee for the minister, that is what they would have done. What would they have said about the value of the timber limit? What would they have said about New Orleans? What would they have said about the goodwill of that bank built up over twenty years? The goodwill of a bank is worth millions sometimes. In the case of the Merchants Bank it was said to be worth seven millions. The goodwill, the establishment, the money spent, the effort made, the advertising, the connection, all lost if you close a bank.

Now, I think that very fairly answers the question put to me by the hon. member as to what Sir Thomas White acted upon. As to the outside inquiry of 1916, he acted upon representations made by Hon. Mr. Crerar, and in the judgment of any fair-minded man in this country he had to act upon those representations, unless he was of opinion that Hon. Mr. Crerar was such a man that no reliance could be placed upon his statements. I should think hon. gentlemen would be very slow in making such a suggestion as that.

Mr. MACKENZIE KING: I would not for a moment assume that my hon. friend from Glengarry and Stormont who has moved an amendment wishes to defeat the resolution before the committee and thereby deprive the depositors of the Home Bank of any relief. I point out to him, however, that without in any way helping the depositors of the Farmers' Bank such can be only the effect of his amendment.

In the first place, as my hon. friend knows, the matter of compensating the depositors of the Farmers' Bank has been before this House and has been before the upper chamber, and with respect to that bank the Senate has already expressed its view and opinion. My hon. friend, I think, may logically assume that if a bill based on this resolution goes to the Senate with his amendment to compensate the Farmers' Bank depositors as well as the Home Bank depositors the only effect will be to have the bill defeated.

Mr. KENNEDY (Glengarry and Stormont): Would the government welcome that?

Mr. MACKENZIE KING: No, the government would not welcome it. The government expects this legislation will pass the Senate and wants it to pass. The government has had no purpose in bringing this measure into the House other than to carry out what it believes to be its honourable duty in view of the finding made by the commission that investigated this matter, and in view of the unanimous report of a committee of the House. I want to make that perfectly clear because that is the ground on which the government has proceeded.

Perhaps I may be permitted to recall the circumstances under which this matter came before the government. As hon. members will recall, the depositors of the Home Bank appointed a national committee to wait upon the government and present certain grounds on which they claimed the right to have their losses made good in so far as the government could see its way to recognize their claim. They presented two grounds on which they based their claim. One was that the Minister of Finance of the day had taken a certain course for patriotic reasons, had pursued a course which was detrimental to the depositors because he believed it was in the interests of the country as a whole. The other ground was that the minister of the day had not performed his duty, that he had been neglectful, that he had not complied with the requirements of the law; and it was said by the depositors on either of these grounds we are entitled to have our losses made good. The government might have reached a decision of its own volition. To have done so would have been to judge a political opponent. The government would have been called upon to pronounce judgment on Sir Thomas White, minister of a former government, as to whether his action was in the nature of a patriotic act, or whether it was a neglect of public duty. The administration did not feel it would wish, in a matter of such importance, to have itself put in that position for a minute. We therefore took the one course that would remove the discussion of the Home Bank matter entirely from the realm of partisan politics by appointing a royal commission, asking the parties to

appear before the commission to present their statement, allowing the commission to make its findings; and when the commission had made its report, the government transferred the report to the committee of this House that has to do with Banking and Commerce. That committee had opportunity to consider the report very carefully, and it brought in a recommendation that upon the evidence taken before the commissioner it was of the opinion there was a moral claim in equity. This House passed that report unanimously, and it is on that action that the government to-day is basing its position, not upon any other ground or upon any other reason. We have not wished to go into the question of whether Sir Thomas White's action was one of patriotism or neglect of duty; we have not wished to open up any matter that could be regarded in any way as a subject of political controversy. We are prepared to accept the report of the commission, and the committee, and in good faith we have brought down this measure after carefully discussing all aspects of it with the liquidator who knows more about the affairs of the bank and its depositors than any other living person.

Mr. MEIGHEN: Did the commissioner find there was any moral claim in equity or legal claim against the country?

Mr. MACKENZIE KING: He found there was a moral claim.

Mr. MEIGHEN: Where?

Mr. MACKENZIE KING: That was the nature of the finding.

Mr. MEIGHEN: I do not know where he found it. I would like my right hon. friend to refer to it.

Mr. MACKENZIE KING: I think if my hon. friend will study the report of the committee—

Mr. MEIGHEN: It is not there.

Mr. MACKENZIE KING: —he will find it in the report that the committee brought in to the House; the particular finding which he has just read was based on the report of the commissioner.

Mr. MEIGHEN: There was no such finding in the commissioner's report at all.

Mr. MACKENZIE KING: Well, the exact words were not there, but I am giving the inference which the committee drew from the finding of the commissioner.

Mr. KENNEDY (Glengarry and Stormont): Did the commissioner find that the former Minister of Finance had not done his duty?

Mr. MACKENZIE KING: I do not want at the moment to go into what the commissioner found in regard to that matter. All I wish to make clear is that the finding of the commission was placed before the committee of this House, and the committee of this House had a right to inquire into every phase of that finding.

Mr. KENNEDY (Glengarry and Stormont): The minister referred to two grounds on which the legislation was based, first that of the neglect of the former Minister of Finance, and secondly, patriotic reasons. Did the commissioner find in regard to those two reasons?

Mr. MACKENZIE KING: I said that these were the grounds that were urged before the government, and that the government refused to entertain either of them. The government said, "We will not pronounce judgment upon a political opponent. We are not here to say—and it is not our duty in a matter of this kind to say—whether Sir Thomas White performed his duty or did not perform it, but what we do feel is that the importance of the case, having regard to the arguments presented to us, is such that we should appoint a royal commission to investigate this matter and prepare a report for the consideration of parliament." When that report was prepared it was submitted by the government to the standing committee of this House dealing with Banking and Commerce, and when that committee had the report before it and had gone into the merits of the report, they brought to this House their finding that there was a moral claim in equity on the part of the depositors of the Home Bank against the government. We have endeavoured to implement what we believe to be the obligation of the government, in view of the report presented to us. As I was saying, the liquidator probably knows the position of the depositors better than anyone else. All the suggestions that have been raised this afternoon were raised by the Minister of Finance and myself with the liquidator when discussing this bill with him, and were very carefully considered by the cabinet as a whole. I think many of us felt, as the hon. member for West York (Sir Henry Drayton) has expressed himself this afternoon, that if the measure could be made

one of caring particularly for distressed cases, those who have suffered obviously, the less fortunate members of the community, as contrasted with those persons who may be well to do, we would for many reasons prefer to proceed in that way; but the finding of the committee was that there was a moral claim on the part of the depositors against the government. The finding did not say a moral claim by the man who had a small account, or by the man who had a large account or by the miner, or by the municipality. It merely said a moral claim on behalf of the depositors; the government was obliged to act with respect to a moral claim; is it possible to permit a claim of one depositor and deny it in the case of the other? Having considered that matter very carefully, and more particularly having had a knowledge of the class of depositors on the whole, it seemed to us we were perhaps, in the bill to be introduced, coming nearer to doing what my hon. friend has suggested is desirable than could be done in any other way. May I illustrate? My hon. friend has spoken about the case of the miners in Fernie. He said they should obviously be a first consideration of the government in a matter of this kind. If one were drawing a contrast between an individual who should be paid, and a group who should not be as favourably treated, one would be inclined to say that a corporation was well able to take care of itself. It so happens that the municipality of Fernie is one of the corporations most involved in loss through its deposits in the Home Bank, and as one studies the situation, one finds that in Fernie the ratepayers of the Fernie corporation are almost completely the miners themselves and the one mining corporation that employs them. To deny the corporation of Fernie any consideration in this matter would be to injure the very class my hon. friend says we should be careful to consider in a matter of this kind. When it comes to a case of considering the corporation of Fernie, and not considering the corporation of Toronto, for example, which had a deposit in the Home Bank, would this House have looked favourably upon any action on the part of the government which would have approved compensating losses in the case of one corporation and denying similar rights to another. I can assure hon. members that in considering this claim the government has gone carefully over the whole situation and weighed every aspect of it, with the idea of meeting the obligation of the moral claim in what seems to be the most equitable manner.

[Mr. Mackenzie King.]

May I say a word as to the other point which has been mentioned, namely, the propriety of the government bringing in this measure in the form of a bill? Some criticism has been made to the effect that we should have placed the amount in the estimates. First of all, may I say in regard to that, so far as this parliament is concerned, I have yet to learn of any case where moneys, other than for the public service, or based upon some bill which has passed this House, or upon some resolution of the House or one of its committees, have been appropriated in the form of estimates. Estimates are generally for the public service. However, apart from that, may I draw attention of the House to this circumstance? If we had brought in this measure by way of an estimate, or had asked parliament for an appropriation through an estimate, the very first criticism of hon. gentlemen opposite would have been that we were denying to another branch of this parliament which has a right to pass on matters of public policy the right to consider a great question that affects the interests of the taxpayers of Canada and the people of Canada as a whole, and that we could not be supported in so doing. We would next have been asked why we had departed from the precedent set by hon. gentlemen opposite when they undertook to compensate the Farmers' Bank depositors. They did not proceed by way of estimate, but they took parliament as a whole into their confidence and brought in a bill which passed this House and went to the other chamber. True that bill did not pass there. We hope this bill will meet a different fate. But the circumstance that parliament, in dealing with matters of this kind, had previously proceeded by way of a bill rather than by estimate was a strong reason why this government should not in a matter of practice depart from a precedent already set in this House.

But there is another aspect of this situation and another reason I want to give this House very frankly which made it impossible for this government to have proceeded by way of an estimate, if it wished to do so, in preference to bringing in a bill, and that was the nature of a report made to us, to members of the government, by a committee of the depositors that waited upon myself and some other ministers in presenting claims on their behalf to the government. They intimated to us that what was equivalent to a threat had been made that if the government did not proceed by way of an estimate, it was taking a course which would simply mean that its purpose would not be carried out. I asked

what the committee meant by a representation of that kind. They stated that they had been told by an hon. member of the Senate, one who was leading his party in the Senate, that if the government were to bring in this measure in the form of a bill, that bill would be defeated in the Senate.

Mr. MEIGHEN: Does the right hon. gentleman refer to Sir James Lougheed?

Mr. MACKENZIE KING: Sir James Lougheed was away ill at the time. Senator Robertson is the gentleman to whom I refer, a member of the Senate who was leading the Conservative party in the Senate during Sir James Lougheed's absence from the other House. Senator Robertson intimated to the National Committee of Depositors that if the government proceeded by way of a bill, that bill would be defeated in the Senate—an extraordinary procedure for an hon. member of another House to undertake to speak for that other House as to what action it would take on a bill presented to parliament. What right had he to say what action the Senate was going to take on a public matter? What right has any hon. member of the Senate to deny to the Senate the fullest consideration and discussion of a matter of this kind? Having regard to a threat such as that, the government had no alternative, even had it wished to take any other course, than to proceed in the manner in which it is proceeding at the present time.

Mr. HOCKEN: I think the Prime Minister ought to go a little further. He ought to tell us where he got that information. If he is making a charge against Senator Robertson, he ought to be a little more explicit.

Mr. MACKENZIE KING: I told my hon. friend I got it from the committee who made representations to me that they had received it from Senator Robertson.

Mr. HOCKEN: From every member of the committee?

Mr. MACKENZIE KING: From the members of the committee who were present. I was not satisfied with that. I said to the members of the committee: I want a little more substantial evidence. I was just like my hon. friend in that regard. They therefore gave me Senator Robertson's letter which I shall read to the House. The letter is as follows:

The Senate
Canada
Ottawa, 27th February, 1925.

Dear Mr. LEE,—

May I acknowledge, with thanks, receipt of your letter of the 11th February enclosing a statement outlining the opinion of the Home Bank Depositors' National Relief Committee, in support of government action of relief to the depositors.

I think I have in previous letters outlined to you quite clearly my present views which were and are that the Home Bank was conceived in iniquity, born in dishonesty and never was conducted as it should have been from the beginning. When it was inevitable that the bank should close its doors and the matter was brought to the attention of the federal government, no effort was made to safeguard the depositors' interest, let alone the bank's credit, by the government, notwithstanding the fact that substantial relief had been given by the government in other instances which would have been ample to have saved the situation in this case, and this unfavourable consideration by the government resulted in the crash occurring.

These are facts in addition to those brought out during the investigation which you conducted before a commission appointed for the purpose.

As previously stated to you I have always been of the opinion that a much stronger case could have been made out, had it not appeared to be that every effort was being made to avoid embarrassing the present government in any way and the interest of the Home Bank depositors suffered in consequence thereof. I therefore have no hesitation in saying to you frankly and openly that if the government is in earnest in its professed desire to provide a measure of relief for Home Bank depositors it should include in the estimates of the present session of parliament whatever amount it desires to contribute for that purpose. Estimates as you know, are wholly within the jurisdiction of the House of Commons and are not subject to revision or modification by the Senate. You also are aware that notice has already been given to the effect that if relief is granted to the Home Bank depositors, notice of the demand for similar relief for depositors in other banks which have previously failed in Canada would be made. This contention, with much supporting evidence from quarters in Canada where other banks existed and failed will undoubtedly be brought to bear in the Senate if the government propose its measure of relief through a special bill, and it naturally is uncertain what the result of the legislation might be.

However, I reiterate that if the government is sincere in its desire and intention to aid Home Bank depositors it should include whatever amount it desires to contribute in the estimates where it ought to be and not by way of a special bill.

Yours sincerely,

G. D. ROBERTSON.

Mr. W. T. J. LEE,
Chairman Home Bank Depositors' Relief Association,
244 Bay street, Toronto.

Mr. HOCKEN: That letter does not support the Prime Minister.

Mr. MEIGHEN: Not at all.

Some hon. MEMBERS: Hear, hear.

Mr. MACKENZIE KING: Hon. gentlemen opposite applaud. I wish again to repeat what I have said. I think it is a most extraordinary thing that the leader of the Conservative party in the Senate should make a declaration to the Home Bank depositors that if any measure goes from this

House with respect to the Home Bank, that measure is going to be killed in the Senate.

Some hon. MEMBERS: He does not say that.

Mr. MACKENZIE KING: I hope my hon. friends will read this letter over just as carefully as the country will read it. When a letter of that kind was presented to this administration, no matter what the wish of this administration might have been, no government that was worthy of the name would take a defiance of that kind from the Conservative party.

Mr. HOCKEN: Pretty free interpretation.

Mr. MACKENZIE KING: I have often said that I think the powers of the Senate in some, if not many particulars, should be modified. I think the furthest I have ever gone with respect to measures emanating from this House is that if bills had passed this House on three successive occasions, they should become law whether the Senate rejected them or not. But, I have never taken the position that the Senate is not a second chamber in this parliament and has not as such powers co-equal with those of this House with respect to most measures of public importance. With regard to a measure of this kind which affects all classes in this country, it is of the utmost importance that it should be presented in the form of a bill. Indeed, if this government had denied the Senate the right of discussing this measure, what stronger weapon against any Senate reform would it have been possible to have placed in the hands of those who would like to see the Senate in its powers remain as it is? The people as a whole have certain rights which should be conserved, not only in this House but in the Senate as well. It is only when the Senate by its action repeated over and over again obviously defeats what is the will of the people's representatives in parliament, that the Senate's action in any essential particular should be controlled.

I wish to repeat the government has brought in this measure in the form that it has so that there would be no room for criticism on the part of hon. members opposite, either as to the method of bringing about this relief, or as to the fairness of the method by which the government has proceeded, or as to the justice of the whole situation before the country. We have taken a course that cannot be criticized in any particular, in the belief that in the Senate there are a sufficient number of hon. gentlemen who will be prepared to view this matter in the light in which we have viewed it, and who will see that the action which this House takes will also be taken by the upper chamber.

Mr. MEIGHEN: It has always been the practice in each of the two branches of parliament to be scrupulously careful as to attacks on hon. members of the other body. This is essentially the part of fairness. It is essentially the part of dignity.

Mr. MACKENZIE KING: I would point out to my right hon. friend that I have not attacked any utterance of Senator Robertson's in the other chamber. I have in my hand a letter which was written to a committee apart from anything which was said in the Senate. I have made no reference to any utterance or debate in the other chamber.

Mr. MEIGHEN: I had not reached the point where the interruption was pertinent. Notwithstanding the fact that the utterance may not have been made in the other body, no matter where it may have been made, this has been the invariable practice of both branches of parliament. It has been so for the very obvious reason that the other party to the controversy is not here to take part in his defence.

Mr. GRAHAM: I would just call the hon. gentleman's attention to this fact: I was attacked, I think it was a year ago, in a most vicious way by name in the upper chamber.

Mr. MEIGHEN: I would be very sorry to see the rules violated, especially as against the Minister of Railways, and still more sorry to see a vicious precedent followed by the Prime Minister. But when the incentive to the attack is a letter read this afternoon by the Prime Minister, I wonder what hon. gentleman would feel himself competent to describe such conduct as that, a letter which was in advance proclaimed to be a declaration that if the government brought forward relief in the form of a bill it would be defeated in the Senate of Canada; and the appeal was made to this House to know what is to be thought of a senator who dares to say what is going to happen to a measure in the upper house, to appropriate to himself the right to declare what one branch of parliament will do. The letter was read, and it was found to contain not one word, not one syllable, of any such assertion of authority on the part of Senator Robertson. Senator Robertson evidently felt, and I know he has always felt, that a money vote of this kind should take its place with money votes of all kinds, and that if it did so take its place

it was an evidence of sincerity behind that vote on the government's part. Whether he is right in that contention or not may be debatable, but that is his view. But to make a personal attack upon him because he expressed it, would seem to me to be something a private member would not be proud of, and that a Prime Minister should lament. That the view is shared by very many in this House, there is no question. That it was expressed by many hon. gentlemen opposite themselves in the debate on the Farmers' Bank there is equally no question—this view for which Senator Robertson is taken to task and denounced to-day in his absence.

There is something to be said for a bill in relation to a measure of this kind, but it cannot be said, merely because it is extraordinary, merely because it is not part of the ordinary routine service of government, year by year, that it should be in a separate bill. The war was not an ordinary part of the routine service of government year by year, but every war vote came down in the estimates, and over these war votes the Senate had no jurisdiction; but nobody in the Senate complained. Votes of money any government has a right to place in the estimates, and there can be no complaint from any quarter.

All that we heard from the government in support of this resolution was a speech somewhat eloquent in the matter of vituperation, but exceedingly vacant in the matter of argument for the measure. I have not heard a suggestion of argument behind the resolution from any member of the government save one.

Mr. DUFF: Does the hon. gentleman state that the war votes all came down in the estimates?

Mr. MEIGHEN: Yes.

Mr. DUFF: I remember distinctly the first session I was in parliament, in 1918, Sir Robert Borden introduced a resolution dealing with an amount of $500,000,000, and that resolution went through in five minutes. That amount was not in the estimates.

Mr. MEIGHEN: There is always a resolution preceding an estimate.

Mr. DUFF: No.

Mr. MEIGHEN: Why, of course. The Supply bill is anteceded by a resolution.

Mr. DUFF: This was a special amount.

Mr. MEIGHEN: Was there a bill for it?

Mr. DUFF: I do not remember.

Mr. MEIGHEN: Every war vote was in the estimates.

Mr. DUFF: I beg your pardon, no.

Mr. MEIGHEN: I recommend the hon. gentleman to look back and improve his historical knowledge, and I am sure he will not come back here and say I was wrong.

I have heard only one contention put forward; it is first of all submitted by the Acting Minister of Finance, and then by the Prime Minister. They say: The committee of parliament reported here, and the report was accepted unanimously, that the depositors had a moral claim in equity. Neither of them will say that he believes the depositors have a moral claim in equity. You cannot pry it out of them. I tried with the acting minister, and failed. But they hold in such a secrosanct position the report of a committee of parliament, adopted on a motion without notice, that they are bound in their duty to the country to come forward with a measure of compensation. When did this great sanctity first appertain to a report of a committee accepted by parliament? The Acting Minister of Finance not more than a week ago had to face a report of a committee accepted by parliament, and he did not bring in a measure to implement it, he brought in a measure distinctly to the contrary, and he supported it in this House. What becomes now of the only argument he seeks to advance behind this resolution? In the other case, not only was there one of these acceptances which this government has loosely permitted to follow one after the other against the protests of some of their own friends, against my protest repeatedly and that of other hon. members—in that case not only was there one of these hasty, loose, and ill-considered acceptances, but a minister of the crown rose and distinctly affirmed the government's adherence to the report with one exception, and the government brought in no measure to implement that report, with that one exception—none whatever. So the government is in the position of presenting now a policy, and declining to give any reason behind the policy at all, any reason that they have ever paid a whit of attention to in other days.

Now I do not think there is any disposition on the part of any member of this House in any section to decline to deal fairly, yes more, to decline to deal generously with those who suffer in Canada from no fault of their own, with those who may be in need. These bank depositors are in that class, a great many of them; from what I can learn, the great body

of them are, and if a measure could be brought down—I am not going to stand here just because I am in opposition and say it is a simple thing to do it; I know it is a very difficult thing to do it—but if a measure could be brought down to bring something in the way of relief to those who suffered from that scourge, I do not know that there would be anybody in the House inclined to oppose it. But the government has brought in a measure distinctly on the basis of compensation, and you cannot justify compensation in the absence of an established liability. I do not think any government ever introduced or tried to introduce a measure before in the form of a compensation measure to losers in an investment or losers by way of deposits, unless they did claim to support it, and tried to support it, and succeeded in supporting it on the basis of a liability.

The liability may be of two kinds. I am not one of those who say you cannot have a moral claim. My hon. friend from West York (Sir Henry Drayton) is strictly right in saying there is no such thing as a moral claim in equity. But there is a moral claim aside altogether from the legal rules of equity You may have a legal claim on which you can sue and recover in a court of law, but you may have a claim you could not recover at all in a court of law, but which has a moral basis, giving the right of collection. Those have occurred many a time. There may be technical obstacles in the way that would prevent recovery in law, but if the moral claim is there, the liability is there which an honourable man will always meet, and which an honourable government always ought to meet. So I say the responsibility may be one of the two kinds; it cannot be of any other kind.

Now the government say: "These people came to us. It was not relief they were asking; they wanted compensation, and they based their claim on one of two grounds, or both: they said, 'In the first place, assuming that on the complaint of 1916 Sir Thomas White did right in declining to wreck the bank, the reason he was right was because there was a war; we should not suffer from the war; therefore we should be paid. Our other contention is this: Sir Thomas White did wrong, he was guilty of negligence or gross error, error of some kind in his conduct, and if he was guilty of error, we should not suffer, we should be paid'." Now, I am free to say that if the depositors could establish either one of those positions, it matters not which, I would think they were entitled to compensation. I do not agree with the hon. member

to my left from Glengarry and Stormont (Mr. Kennedy), who says that the taxpayers should not pay for the errors of government. I am afraid that that is the responsibility of taxpayers always. If a government errs, representing the taxpayers, the taxpayers have to suffer. They have recourse against the government, or against the individual perhaps; but I do believe it is best that in the case of an error of government—I do not mean an error in discretion, nor an error in judgment, I mean error amounting to negligence or breach of duty—if certain individuals suffer because of an error which amounts to negligence or breach of duty, then I think the treasury should pay.

Now then, did the depositors establish either position? I wish I could submit myself to a jury composed of the hon. Acting Minister of Finance when I put that question to him. Did they establish either position? The Prime Minister says, "We did not like to decide these two contentions. Here we were asked really to pass on the conduct or misconduct of a political opponent; we would not do it. We submitted it to Mr. Justice McKeown." Before Mr. Justice McKeown the depositors came. Did they establish, first, breach of duty on the part of Sir Thomas White? There is not a member of this House who will rise in his place and say so. Mr. Justice McKeown did not find it; not a line of his report would indicate that anything of the kind was established in his mind; not a line. Did they establish that Sir Thomas White would or should have acted otherwise had there not been a war? Again I appeal to the finding of Mr. Justice McKeown. He finds no such thing. He finds, of course, as anybody would find, that what Sir Thomas White did was doubly justified. Because of the conditions that surrounded him, conditions of war, Mr. Justice McKeown finds in effect that what would have been unwise under ordinary circumstances would have been madness in time of war. But he does not find that if there had been no war at all Sir Thomas White should have done differently from what he did. If he had so found in the face of the evidence, I would stand here and argue definitely to the contrary, for there was not a whit or tittle of evidence to support any such finding. I am not called upon to do so; the finding is not there.

Then what happens? Still endeavouring to avoid the responsibility which was on the government from the beginning, still endeavouring to postpone, still in the old course of vacillation, they refer the matter to a committee of this House, and the committee brings in a

report with those words, whatever they mean, "that there is a moral claim in equity." Then with no notice whatever, somecne gets up and moves the adoption of the report, the Speaker says "carried," and the government, without declaring there is any moral claim at all, without setting their seal on the assertion that there is any moral claim whatever, say, "Because of the acceptance of that report we have got to bring in this measure." Is that reason, is that common sense? If the government had early in the day—because they had every reason then to know there was no breach of duty, they had every reason then to know there was no claim in equity whatever, that all that could be asked was a compassionate allowance—if the government had come in with a vote for a compasionate allowance, that vote would have carried in this parliament with very, very little objection. I should like to think there would have been no objection whatever from any quarter. It is more difficult to make a compassionate allowance now than a year or so ago. A compassionate allowance should be on a generous scale, but it ought to be on the principle of relief, just as in the case of any scourge or havoc that parliament is disposed to relieve. That is the view I take of this measure. I speak in my individual capacity. I frankly say that with these views I am sorry I cannot express the opinions of all hon. members behind me.

Mr. MARTELL: Before my right hon. friend takes his seat,—probably I did not understand him, but is it not a fact that the relief for the Farmers' Bank was introduced by way of a bill?

Mr. MEIGHEN: It was.

Mr. MARTELL: I find by Hansard of June 2, 1914, that Hon. Sir Thomas White moved the second reading of Bill No. 185, for the relief of the depositors of the Farmers' Bank of Canada. Probably I misunderstood my right hon. friend.

Mr. MEIGHEN: No, I have not made my criticism on that ground at all. I say there is a very great difference of opinion on the subject. There is much to be said for a special bill in such a case. That is all. But I would refrain from making a violent personal attack upon one absent because he differs from me on the point. I hope to that extent I will be supported by the hon. member for Hants (Mr. Martell). Now, I had really closed what I had to say. I have spoken for myself. I have reasoned it out as carefully as I can. I know in this regard there are thousands—yes, I think I may say tens of thousands—of people in this country, some of whom can afford it, some of whom have no claim on the treasury whatever, but many of whom cannot, many of whom have lost the earnings of a lifetime, in the failure of this bank. I think the depositors are in a stronger position than any other class. But I must say this, that, acting on the principle of relief, there are many besides the depositors who are entitled to something. Here is a case where the double liability works a cruel, bitter hardship. Think of eleven hundred farmers in the west—not the poorest, for these have no money to put into bank stock; nevertheless some who had money when they put it in, aside from what they have lost on account of the Home Bank, would have nothing now anyway on account of the character of the years that have intervened—think of those men not only losing all they put up, which represents a portion of their savings, but being called upon now, many of them with nothing left, to put up double liability, and then being called upon by the country to contribute to compensation for perhaps scores of men who are wealthy and do not need it at all. I would myself be very charitable to any measure that aimed at the nearest approximation to relief that you can get. I opened by admitting the difficulty of framing a measure not subject to pretty severe criticism in detail aimed at relieving these people; but I would say that if the government had perhaps associated with the liquidator certain men of proved standing in Canada, and made a grant to those men on certain basic principles, namely, defining where relief should be paid, they could have done just the same as a committee in the case of a great fire or a great deluge, they could have distributed that relief to those who needed it most. It would be more difficult than in the cases I have mentioned, but I do not think it would be impracticable, and I do not know of any other principle on which we can possibly assist these people without establishing a precedent and creating gross injustice that we never in the world afterwards can follow and never defend.

Now, there is an amendment before the House. I can understand the position of those hon. members who say, "We are not acquainted with the circumstances of the Farmers' Bank, we were not here when those circumstances were disclosed in parliament, we are not familiar with the claims of the Farmers' Bank depositors, and we do not like therefore to support this amendment." I am not in that position; I know the circumstances of the Farmers' Bank claims. I think, on moral grounds, they

are in a far stronger position than the Home Bank depositors. In the case of the Farmers' Bank the dispute arose as to the propriety of the issue of the certificate. Here there is no such dispute, so far as I understand the case; there is dispute as to the wisdom of or the discretion used by the minister in issuing it. In the Farmers' Bank case it was established to the satisfaction of the government and to the satisfaction of the commissioner, Chief Justice Meredith, who investigated, that the moneys which under the law should have been deposited before the certificates issued were really not deposited and therefore that the certificate should not have been issued. He did not charge bad faith against the minister, but he did charge that there was a breach of the regulations, a breach of the law as laid down by parliament in the issue of the certificate itself. I do not think that the weakness of the minister's position in issuing the certificate was the real cause of the failure of the bank. I do not think it was the proximate cause of the loss. If it had been, there would have been a legal claim. But still it is true that if the certificate had only issued as it should have issued then those men would not have lost. On that account we thought there was a moral claim against the state and we brought in a bill accordingly. We thought it was a moral claim and that the depositors were therefore put in just the same position as if they had a legal claim, consequently we paid. In this case there is no contention—there is certainly nothing established to bring it home—that there was breach of duty, breach of regulations, breach of law—none whatever. There is nothing to establish negligence; nothing whatever. All that we can urge upon each other in frankness is that because of the disaster thousands who were not responsible were placed in a position of great distress, commanding the sympathy and deserving the relief, if possible, of the parliament of Canada.

Mr. MORRISON: The right hon. gentleman (Mr. Meighen) states that he is not in favour of the depositors being reimbursed on a pro rata basis according to their losses; that their cases should be investigated and paid according to the need. A few days ago when we were discussing the problem of the revaluation of the assets of soldier settlers, my right hon. friend took the view that all the soldiers should be paid on a percentage basis.

Mr. MEIGHEN: It was not a case of relief at all.

Mr. MORRISON: Absolutely.

[Mr. Meighen.]

Mr. MEIGHEN: Oh, no.

Mr. MORRISON: The right hon. gentleman was willing that even the seven hundred odd who were able to pay up their claims in full in one or two years should be given the same percentage of discount as those others whose property had not been fairly appraised.

Mr. MEIGHEN: The hon. member fails to see this: in the case of the soldiers there was no scourge, no disaster, no collapse.

Mr. MORRISON: There was disaster.

Mr. MEIGHEN: No, no; it was just a case of whether or not the whole soldier body had laboured under difficulties that were too great by reason of the contingencies of the time, that is all. Certainly all of them should be treated alike. You could not distinguish between the fellow who had worked hard and the fellow who had not.

Mr. MORRISON: The right hon. gentleman said he thought most of these valuators were honest men, and I agree with that. But there were occasional ones who were not true to their trust, and they stuck the soldiers unmercifully. These victims had a right to consideration, and my right hon. friend said that they should be treated on the same basis as those who had got a good deal from the government.

Mr. MEIGHEN: The hon. member is on another subject altogether. There was nothing in that case that hinged on the ill-treatment of the soldier by any settlement board. If there was, every single one should be compensated in full. But that was not the case. It was a question of giving general relief because of the fact that generally or over the whole body they had paid too much for stock or for land, owing to the high prices of the time. That is a very different thing from this.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. SUTHERLAND: Mr. Chairman, when the committee rose at six o'clock the resolution to provide compensation for the depositors of the Home Bank was being considered. There is also an amendment by the hon. member for Glengarry and Stormont (Mr. Kennedy) to include in that resolution compensation for the depositors of the old

defunct Farmers' Bank, on whose behalf a bill had been introduced in parliament in 1914 which at that time passed the House of Commons by a substantial majority but was later defeated in the Senate. Since that time many things have happened, and I think that I am safe in saying that banking in Canada is much better understood by the people to-day than it was then. I believe I am also well within the mark in saying that the functions and lack of responsibility of the Canadian Bankers' Association are also much better understood. I might also make some further observations with regard to other changes that have taken place. One would be that the term "responsible government" in Canada is more of a misnomer to-day than it used to be. Parliament is now asked to vote $5,450,000 of the people's money to certain preferred creditors of the defunct Home Bank of Canada. It is all very well for people to be generous with what belongs to themselves. It is a very laudable thing to see the spirit of generosity actuating people in their private affairs; but I do not consider that the same can be said of those who are disposing of other peoples property without their consent. And to my mind that is the case in the present instance. I do not think the government have offered sufficient justification for the voting of this money. If it was a matter of granting relief instead of compensation the case would be quite different. I was much impressed by the attitude of the Acting Minister of Finance (Mr. Robb) who refused to admit that the depositors of the Home Bank had even a moral claim, let alone a legal one, for compensation. This being the case I think we should be very careful indeed as to what we are doing under the present circumstances with the resources of this country. I have so expressed myself on several occasions during the present session, and I have urged upon the government the need for the strictest economy and retrenchment in conducting the affairs of Canada. I am sorry to say that there is not any disposition to cut down expenditures, but on the contrary there is the most lavish voting of money regardless of conditions and consequences. I noticed an editorial in the Ottawa Journal of February 19, 1925, which refers to a statement made by a supporter of the government in his own constituency some time previously. The editorial says:

> When Mr. "Tim" Healy of Belle River fame told his constituents some weeks ago that Home Bank depositors would be compensated, we said that the statement was sinister.

I am not going to read the whole of the editorial. It goes on to say:

> No more brazen, no more palpable, no more iniquitous election trick has been perpetrated on this country of electioneering afflictions within our memory.

The editorial goes on to point out the injustice of voting money in this particular case, and makes a comparison between two people styled "A" and "B":

> "A" and "B" are neighbours. "A" puts his money into the Home Bank. "B" puts his into a factory. A year later "A's" Home Bank collapses, and so does "B's" factory— they both lose. What moral, legal or other right has "A" to come to "B" and say: "You lost and I lost; but I am going to see that you are taxed and made to lose more so that my loss is retrieved".

I think this puts the situation very tersely and exactly as it is. I do not consider there is any more justification or anything like as much justification, for voting this money as there was in several other instances of bank failures which I might mention. I have a very vivid recollection of the debate which took place in this House when the bill to compensate the Farmers' Bank depositors was before parliament in the year 1914. At that time it was very clearly shown, in the case of the Farmers' Bank, that the license or charter was issued under circumstances for which the government were to blame; and it is a most significant thing that the charter for the Home Bank was issued in the same year in which the other was issued but not under anything like as questionable circumstances as in the case of the Farmers' Bank. And in the case of the Farmers' Bank the depositors did not recover anything; they lost the full amount which they had on deposit in that bank at that time. Indeed, many of them were absolutely ruined, and many died as a result of the hardships which had come upon them in their old age through the failure of that bank. Yet in the case of the Farmers' Bank no compensation whatever was granted. In the case of the Home Bank there has been quite a substantial surplus saved from the proceeds of the bank; and I think that evidence which has been adduced here this afternoon goes to show that there is some force in the contention that had proper steps been taken by the government and by the Bankers' Association it is quite possible that the Home Bank might not have been forced to go under. I think there is a heavy responsibility upon the government, and also upon the Bankers' Association, for the failure of the Home Bank.

I did not intend to discuss this matter had it not been for the amendment which has been moved by the hon. member for Glengarry and Stormont. To my mind if there is any justification at all for voting the people's money in such cases, the justification

is twice as strong in connection with the amendment in the case of the Farmers' Bank depositors as it is in connection with the original motion relating to the Home Bank depositors. I am sorry the government have not given an assurance that some compensation would be given where there were equally strong, if not stronger, grounds for compensation, as it is termed by the present government. I notice the resolution contains these words:

That it is expedient to provide for the payment out of the consolidated revenue fund of the sum of $5,450,000.

This word "expedient" is rather significant. The Prime Minister recommended that the government take action by reason of the report which had been made by the commission which had been appointed to investigate this matter. The commission, as was pointed out by the right hon. leader of the opposition (Mr. Meighen), did not say that there was a legal or a moral claim. Nothing of the kind can be adduced from the report of the commission, but it was a most remarkable statement which the Prime Minister made that if this amendment was tacked on to the resolution it would meet, in all probability the same fate, or the two of them would meet the same fate, in the upper house which the Farmers Bank bill met in 1914. The Prime Minister also made a most remarkable statement with regard to a letter which the acting leader of the Conservative party in the upper house, Senator Robertson, wrote to the chairman of the committee which had been appointed to look after the interests of the depositors of the Home Bank, and said that he considered the statement contained in this letter to be a distinct threat that if the government undertook to introduce this question by way of a resolution or bill, instead of placing an item in the estimates, the same action would be taken in the Senate. After listening to the statement made, and after carefully following the Prime Minister while he was reading the letter, I could not see that the letter bore out the statement made by the Prime Minister, and I think that was the opinion of everyone who listened to the reading of the letter. When this view was made evident by hon. members on this side of the House, the Prime Minister became even more emphatic in his statement that in this letter a threat had been made by the acting leader in the Senate in connection with that matter, and he said: "I think it is a most extraordinary thing that a leader of the Conservative party in the Senate should make the statement to the Home Bank depositors that if any measure came before the Senate with respect to the Home Bank failure, it was going to be killed in the Senate." I do not think any other hon. member of this House will draw any such deduction from the statements contained in Senator Robertson's letter. It surely shows the desperate straits the government are in when they, at this late stage, after years of pressure having been brought to bear on them to do something, as has been pointed out in numerous editorials in the newspapers, right on the verge of an appeal on the country, take action to meet this pressure. I think it is a most unusual course for any government to take and one which I do not consider reflects any credit upon them. I may say that if it were a matter of relief, it ought to be based upon more substantial grounds than those so far presented as a justification for paying out this money. If this resolution passes, payment will be made to many people who are not in distressed circumstances. Many of them would not feel their loss very much, if at all. It is true there are many cases where people have lost their all, many aged people, and many poor people who have suffered greatly in consequence of the failure of this bank. I am sure that if we had had a little more insight into the failure of the Home Bank before the last revision of the Bank Act was passed some changes would have been made to place greater responsibility upon the Bankers' Association in regard to such matters.

The only feature of the motion before the House which meets with my approval is that contained in the amendment which provides a small meed of compensation to those who lost their all through the failure of the Farmers Bank a number of years ago, and who did not receive one dollar out of the wreck of the bank. No redress has been provided for them, and in this case those who have suffered through the Home Bank failure are to receive a considerable amount, and will in all probability lose about sixty-five cents on the dollar. It is a hardship I admit, and they are entitled to great sympathy, but we are not here to exercise sympathy, we are here to do business for the people, to protect the resources of this country and not to use those resources for anything except legitimate purposes.

Mr. ST. PERE (Translation): Mr. Chairman, I rise for the second time in the House to plead on behalf of the depositors of the Home Bank. The latter petitioned the Government, last year, in order to obtain assistance and brought to bear the following reasons so as to well establish their request.

Protests were made to the Minister of Finance, in 1916 and 1918, in connection with the

critical state in which the Home Bank found itself at that time. If, as the petitioners contend, an enquiry had been instituted, as provided by section 56A of the Bank Act, the actual situation in which the Home Bank found itself at that time would have certainly been shown, and this institution would have been put in liquidation or merged with another bank. In either case, the depositors would not have lost their money. Moreover, twenty-seven or twenty-eight new branches would not subsequently have been opened, and this would have avoided losses to new depositors. In the report of the royal commission appointed by the present government, the Hon. Chief Justice McKeown states that, if the bank had closed its doors in 1916 or 1918, all of the depositors' money would have been safeguarded.

Sir Thomas White, then Minister of Finance, stated in giving evidence, that he did not dare to place the bank in liquidation, owing to the war and that such a step on his part might have prejudiced the financial stability of Canada. The following are Sir Thomas White's words:

> If you make a mistake in putting in an auditor in peace time the consequences may be a run producing little effect upon the bank; if in war time, you may bring down the bank and, in addition, you may cause an unspeakable calamity to the country.

It is evidently this last consideration which prompted the Minister of Finance to act as he did.

The report of the Royal Commission was submitted to the Banking and Commerce committee, at the last session of Parliament, and the committee, in its report to the House, stated that the depositors have a moral right in equity to a compensation.

This report of the committee on Banking and Commerce was unanimously adopted by the House at its last session. Consequently, the Parliament of Canada, in plenary meeting, recognized and decreed that the depositors of the Home Bank have a moral right and claim in equity to relief. It is useless to quibble or evade the question so as to minimize the facts which are all very conclusive. The 60,000 depositors of the Home Bank, who represent about 400,000 people anxiously expect that this unanimous vote of parliament will take the more concrete form of dollars and cents, and they feel more and more confident in regard to promises made by the government.

The failure of the Home Bank is not simply a provincial or civic question which the Dominion government can set aside. It was so to speak a national disaster which affected 60,000 depositors or about 400,000 people residing between the Atlantic and Pacific coasts, in British Columbia, Alberta, Saskatchewan, Manitoba and in the provinces of Ontario and Quebec. It has cast its shadow over a great number of families that have been ruined; a large number of people, owing to the trust they placed in the stability of the chartered banks of the Dominion, have lost all their savings by depositing them in the Home Bank and a great number of children owing to this fact have been deprived of the means which would have provided for their future. And moreover this failure has been the cause of many deaths and a number of suicides; it is with regret that such things must be referred to.

The Home Bank depositors do not appeal to sympathy or charity to support their claim, but they rely upon the justice of their cause, as it has been clearly shown in the report of the committee on Banking and Commerce presented to parliament, at the last session, and in which it is stated and asserted that they have a moral claim in equity to being reimbursed. The facts of the case speak for themselves. Could the depositors, in fact, ever bring forward a claim which would rest on more solid grounds than the moral law of equity and right? The moral law is at the very basis of all legislation of the British Empire, and is superior to all other forms of jurisprudence. It is, indeed, from the moral standpoint that all laws, provincial or federal obtain their force and sanction. It is claimed that the depositors have no legal right to a reimbursement, and this, because it is a principle of the English law "that the King and his government can do no wrong." Some legislators have contended that to reimburse the depositors of the Home Bank would create a dangerous precedent which would open the door to further claims, if other financial institutions were to have the same fate as the Home Bank. This argument cannot hold, owing to the recent amendments made to the Bank Act. There, however, exists precedents, as governments have come to the assistance of unfortunate depositors, not only in England, but also in Canada. It is but necessary to recall the McGriggor Bank affair, in England, and that of the Upper Canada Bank in our own country, and more recently still, the stand taken by the legislature of the province of Quebec, in guaranteeing the emission of a large amount of debentures in favour of the Hochelaga Bank, to avoid the disaster which the failure of the Banque Nationale might have brought on, in 1924. It is but necessary to consider these recent precedents to admit the fairness of the popular legislation

that the present government is introducing to assist the unfortunate depositors of the Home Bank.

Objection might perhaps be raised that the attitude taken in 1916 and 1918 by the ex-Minister of Finance Sir Thomas White, places no responsibility on the present ministers of the Mackenzie King government, and that the Liberal government of to-day, cannot be held responsible for the blunders committed by the late government. We feel certain that our legislators will consider the claims of the Home Bank depositors with a more open mind and a fairer view of the matter. All governments assume the duties, responsibilities and obligations of the administrations to which they succeed. Their joint liability is in no way put in doubt on such a question.

Equity, it is stated, is law in the present case. This moral obligation is, so to speak, the law which must protect the injured rights of the depositors; it further places the hon. members of this House, in the most favourable situation to freely and easily carry out their duty and thus realize, to the best of their ability, the ideal of the rights of the people. The existence itself of society is inconceivable, notwithstanding the wisdom and strength of its institutions, if it does not show a certain amount of good faith, equity and fortitude. The depositors have always acted in good faith, therefore let us have the courage, to-day, to treat them with equity. Let us not fear to create a precedent, for all legislation, which basis its principles and existence on moral law and equity, becomes, for the country which accepts it, an efficient protection and the indispensable condition of its development.

Therefore, Sir, I shall vote against the amendment and in favour of the resolution.

Mr. CRERAR: When the resolution was under discussion this afternoon I was not in the House, and consequently I have been informed only within the past half hour of the discussion that took place then. I do not intend to express an opinion as to the merits or demerits of the resolution which has been introduced into the House by the Acting Minister of Finance (Mr. Robb). It would, I feel, be inappropriate for me to take any part in that discussion because of the relations which, for a number of years, I had with the Home Bank in the capacity of a director. The story of the failure of the Home Bank is fully before the public in the report of the McKeown commission of inquiry a year ago and in the various cases that have been before the courts. I do not know that anything can be added by way of information to the committee that is not already in public evidence.

The ex-Minister of Finance, the hon. member for West York, (Sir Henry Drayton), if the information I have received in respect to his remarks this afternoon is accurate, he left the impression very clearly in the minds of the committee that Sir Thomas White, who was Minister of Finance in 1916, had stayed his hand as regards an inquiry into the position of the bank on account of certain representations which I had made to him. In this the hon. member has scarcely done me justice or, perhaps, he has done me a little more than justice, because I am very certain that any statement which I may have made to Sir Thomas White was only a factor, a relatively unimportant factor for that matter, in causing him to reach any decision that he did reach as to the course which he should pursue.

It may not be out of place, since the matter has been brought up—and I think it is only just to myself and to those who have been associated with me that I should deal with it—to say that the western directors of whom I was one, along with two others in the city of Winnipeg, were an advisory committee in western Canada to deal with the western business of the Home Bank. Other banks have such committees, and during the whole period from the time that I became a member of the board, I think in 1910, to the end of 1914, I attended only one directors' meeting in Toronto which happened to be on a date when I was in that city. In the latter part of 1914, information reached us—and the particulars of this are set out in my evidence before the McKeown commission—that things were not as well as they should be in the head office of the bank. We were then into the war. We had been in it for several months. My colleagues and I appreciated our responsibility as directors, and for that purpose we came to Toronto and asked for certain information. It is always a painful and a very difficult thing to speak words that, even by implication may criticize a man who has died and who is not here to defend himself, and I wish to be as careful as I can in any statement I make in that respect. But I am compelled to say that we found things were not as they should have been. We found that the board of directors had not been informed; in fact, I may go further and say that the board of directors had been misinformed by the eastern management. I think that came as a painful surprise to our fellow directors in eastern Canada, men of high business repute in the city of Toronto. What we sought to achieve then was a better management. We were unable to secure that. I do not wish

to criticize my fellow directors at that time in eastern Canada, but we could not get their support then to a change in management which the western directors wished to make, and it was that condition which led us, in view of the circumstance that Canada was in the war and the serious responsibility that rested upon us as directors, to come to the conclusion, under, I may say, the best legal advice we could get at that date, that our clear duty was to lay the facts before the then Minister of Finance. That we did. When that action was taken, the Minister of Finance of the day, Sir Thomas White, took the matter up at once with the officials of the bank, and then and not until then were we able to displace the management which, in our judgment, should have been displaced a year before. I quite appreciate that the representations which we made to the Minister of Finance were of a serious character. We did not take that action—and I am sure Sir Thomas White would be the last one in Canada to say that we had so done it—in any way to make difficulties for him. But when information came before the Minister of Finance, he asked for certain details of the business. On the advice of the western directors, on their suggestion and, I may say, at their urging, Mr. Z. A. Lash, whose reputation as a business man and as a banker none in this House or outside of it will gainsay, was appointed as counsel for the bank. It was represented by Sir Thomas White that he thought he should send someone from the outside to inquire into the position of the bank. At that time the eastern directors, Mr. Lash and the management of the bank unreservedly and unquestionably took the view that any such action might precipitate a crisis in the bank's affairs. They urged that an examiner could not be sent in from outside to inquire into the business of the bank without that news getting on the street and having its reaction on depositors, and the bank perhaps being forced to close its doors. Now that opinion may have been right or it may have been wrong. I am simply giving the committee what the opinion was at that time, and on the strength of this opinion, and at the request of Mr. Lash, I wrote to Sir Thomas White a letter which I understand my hon. friend from West York quoted this afternoon. In that letter I pointed out that the old management had been displaced, that Mr. Haney in whom Mr. Lash and other eastern directors had a great deal of confidence was going to take more active charge of the bank's affairs, that Mr. McHaffie of the Winnipeg office, a trained banker, was coming to Toronto to assist Mr. Haney, and that I felt under the circumstances the information we desired could be secured from within instead of sending in someone from without, and "that at this juncture"—I have not seen that letter for a year, but I am very sure that my hon. friend from West York will find those words in it—"that at this juncture it is better for the inquiry to proceed from within than without."

Sir HENRY DRAYTON: That is about correct. The hon. member said:

> In my opinion the situation has materially improved within the last month, and at this juncture, with the changes in management recently made, it is better to have the inquiry proceed from within than without.

Mr. CRERAR: That was the view I took. I thought there was a distinct improvement, and I still think so, owing to the fact that we had displaced the old management. Let me repeat again, where I think my hon. friend from West York has scarcely been just to me is that he left the impression on the minds of the committee, if the information I got is correct, that Sir Thomas White stayed his hand only because of the representations I had made to him. Now those representations were only a part of the thing, and perhaps a minor part, in what influenced Sir Thomas White in the position he took. I feel this, and I say it now: I feel Sir Thomas White was quite warranted in relying, for instance, upon the opinion of Mr. Z. A. Lash, because Mr. Lash was not only a very able business man but also an able banker.

I understand that some criticism has been levelled against Sir Thomas White this afternoon. If there has been, I wish to dissociate myself entirely from it. I have no reason to think other than that Sir Thomas White acted in what in his judgment was the best interests of the country. It may be there was an error of judgment; I am not prepared even to say that, viewing the circumstances as they were at that time, because the course then taken has to be judged in the light of the facts then existing; it cannot be judged in the light of facts that may have been disclosed seven or eight years later. Consequently I simply wish to say that I dissociate myself entirely from any criticism of Sir Thomas White in that respect.

The whole episode of the failure of the bank was a deplorable thing, but I still think that if a vigorous management had taken hold of the bank at that time, at any rate the tremendous failure and loss that finally resulted would not have taken place. That

was the judgment of Sir Thomas White then; it was my judgment then, and it is my judgment now, and I care not who in this country knows it.

I do not know that I have anything further to add. It is a regrettable thing that in our political discussions sometimes in this House and often in the country we deal more in personalities than in principles. Such a thing is not elevating to the public life of the country. I am not criticizing the government for the action it has taken. I am neither criticizing nor approving, for the reasons I gave in my opening remarks, but whatever discussion there is in the country or in the House on this matter, I trust may be kept above the level of personalities and the case dealt with entirely on its merits.

Mr. MACLEAN (York): I do not intend to take up much of the time of the House with this discussion, but I do want to give a reason why the government should come to the relief of the depositors in this bank. The parliament of Canada has a Bank Act, it has one to-day, and this House and the Senate are responsible for it. We give authority to banks to issue their own notes, which are mere promises to pay—I have some of them in my hand now; I have just been reading them over—"The.....bank will pay to the bearer on demand one or five or ten dollars," that is all there is to it. This has been going on in this country now for forty or fifty years, and it has been the cause of 70 per cent of the bank failures in Canada It has been the ambition of every small bank that has started in this country to get on its feet and get into the business because of that permission to issue their own notes given by the Bank Act to the banks. We have to stop that, or else these failures will continue They will go on as long as we keep the law where it is to-day and give this right to any private company to take out a charter, go into the banking business and issue its own notes, which are only promises to pay on demand one or five or ten dollars, the first day it opens its doors. No one here has dared to face that issue. The Minister of Finance is no more responsible for it than the previous minister, but the parties in this House are responsible for it, and the lesson to-day is not that we ought to come to the relief so much of the Home Bank in this case, as we ought to come to the relief of the public generally, and get what they have got in the United States.

The CHAIRMAN: I think the hon. gentleman is getting somewhat out of order. This resolution deals with the expediency of reimbursing the depositors of the Home Bank, and there is an amendment thereto respecting the Farmers' Bank. A general discussion of the Bank Act, currency and so forth, is not in order.

Mr. MACLEAN (York): If you will pardon me, Mr. Chairman, somebody has suggested, and I knew this argument would be made, that there is no reason why the government should come to the relief of the Home Bank depositors. I say they are bound to come to the relief of the depositors of the bank as long as they allow the law to be as it is, giving the banks in this country the right to issue their own notes; and that is the opinion of the country at large to-day, Mr. Chairman. I would like the Acting Minister of Finance to read a review in the Wall Street Journal of last week dealing with the Canadian banking situation and pointing out all these facts, pointing out this enormous right that the banks in Canada have of issuing their own notes. They have not got it in the United States. The United States to-day is the greatest banking country in the world, and it is great because all the notes in circulation by the banks of the United States are the notes of the United States, backed by the credit of the whole country. That is why they are the leading bankers of the world to-day, that and the national reserve banking system they have in the United States.

The CHAIRMAN: I must draw the hon. member's attention to the fact that this is a question of the expediency of reimbursing the Home Bank depositors. Inferentially the hon. member may deal with the Bank Act, but he is not entitled to make a speech on the system of banking in different countries of the world.

Mr. MEIGHEN: It is all right if it is a good speech.

Mr. MACLEAN (York): It is a good speech; and I am the best judge of a good speech. The whole condition of Canada is critical, and if there is one situation more critical than another it is the banking situation. We must cure it, and we will never do so while we hide from ourselves in this House the fact that parliament is responsible for this condition of affairs which has made it necessary for the government to come to the relief of the Home Bank depositors. Under the American system they have what they call member banks in connection with the federal bank, which checks off every bank from time

to time, and if we had had that system in effect here the condition of the Home Bank would have been discovered years before and would have been cured. If we continue to say, as we are saying here, "There is no responsibility on parliament to vote this money," I say we are mistaken, I say this parliament is responsible because we created this condition and we must cure it. Therefore I am going to vote for this relief to be granted to the depositors of the Home Bank. I have given reasons why parliament should intervene and do something, not why we should get up here and dig up the records of various parties in connection with the question. We have been side-stepping all afternoon, and the moment I get up and give reasons why parliament should come to the relief of these depositors I am "disciplined" for dealing with the only question at issue. I am leaving the question there with the people, and I am saying to the depositors of the Home Bank, "You ought to be paid because parliament created the banking system that allowed the banks to issue their own notes payable on demand to bearer, instead of creating a better system under which this failure would not have been possible."

Now, another issue has come up. Perhaps, Mr. Chairman, you will call me to order, but we have been talking a good deal this afternoon about the second chamber. Everybody says that that chamber is the equal of this House, and that we should not speak about it. Yet the Prime Minister has been speaking about it, and he is calling an interprovincial conference to discuss the upper house. I say that so long as it has its present powers that house is our equal. When the people of Canada think—and I believe they do already—that any irresponsible chamber ought not to be continued, but that it should be made responsible by having its membership elected for a definite term, then we shall have a reform of our constitution. The great question in England to-day is the reform of the House of Lords. The great question in Canada to-day is the reform of our constitution. The people think as I do, and will not approve of our attitude that we need not discuss the banking question or the rights of the other house because "there is no reason for doing so." I have discussed these questions on previous occasions, and I think I will have an opportunity of discussing them again. I believe some measures of reform will come. The great reforms that we want are: first, the revision of the Bank Act where I say it is wrong; and, second, reform of the upper chamber so that those who sit there will be responsible to the country, and they will become so when they are elected for a fixed term of office by the people of Canada or by the provincial legislatures.

Mr. McCREA: It is unfortunate that the depositors of the Home Bank have lost their money, but they are not the only unfortunate people in this country. Many people have invested their life savings in enterprises more for the purpose of developing the country than of making money, and they have lost their capital. The man who puts his money in a bank does so in order that he may receive a revenue from it without doing any work; but the man who invests his money in industrial and other enterprises very often does so for the purpose of developing the country rather than for the revenue he may make out of it.

This bill which is now before us is an absolutely new departure from anything we have ever attempted in this country. Men have lost their money, as I say, in various enterprises, they have lost their money in banks, they have lost it in other ways, but I have never yet seen the government come to their rescue and make good their losses. I grant everybody would be pleased if there was some way of giving the necessary relief without placing additional burdens on an already very heavily burdened people. I should like every member on both sides of the House to realize the fact that the average bill of taxes on each of our 235 constituencies represents a burden of $10,212,276. Now we are asked, absolutely without any justification as far as my judgment goes, to place a further burden on each constituency of $23,191.50. I would ask every hon. member to think of this before he casts his vote. This further burden may appear light, but nevertheless it is an added burden, and we all know that it was the last straw that broke the camel's back. While I sympathize with the depositors of the Home Bank, I see no reason why they should be entitled to any more consideration than other people who have invested their money, wisely as they thought, and lost it all.

But in my judgment the money feature is not the most serious part of this proposition. It is admitted by everybody whom I have heard express any opinion on the matter, that there is no legal obligation on the government to reimburse the Home Bank depositors; it is simply a moral obligation. Well, as I understand, a moral obligation is never outlawed. If that be true, then every man who has lost money in bank failures of the last thirty years has just as much reason to come before parliament and ask for reimbursement as the

Home Bank depositors have. If this measure becomes law. I do not understand how this government in the future can refuse to make good any losses that may be sustained by other depositors should any other of our chartered banks fail. In my judgment, the money that will be required to meet this obligation is small compared with the prospective obligations which the government may have to assume at some later date, and therefore I trust and hope that every member, no matter on which side of the House he sits, will think not only of the application of this principle to the present case but also to other cases in the future to which disappointed depositors may claim that it should be made to apply.

Mr. SHAW: Fortunately we are not called upon in the determination of this question to assess the responsibility for the collapse of the Home Bank. If the courts of the land do not assess that responsibility, then certainly the judgment of history will duly assess it.

I want to say at the outset that the claim of the depositors of the Home Bank is not based upon negligence. The original claim which they made for reimbursement to the Governor General in Council did not suggest negligence on anybody's part, so far as I recall. It is true that one of the counsel for the Home Bank depositors—perhaps in fairness I should mention his name; Mr. Lee—did in the course of the investigation before Chief Justice McKeown suggest that Sir Thomas White had been guilty of negligence; did suggest also negligence on the part of Mr. Fielding; did suggest also, I think, negligence on the part of the hon. member for West York (Sir Henry Drayton) while he was acting as Minister of Finance. I think these statements were very ill-advised, and I have the best of authority for suggesting that they were made completely without the authority of the Home Bank Depositors' Association. Not only that, but Chief Justice McKeown, after a very careful investigation, did not find negligence on the part of anyone. More than that, the Banking and Commerce committee's report used these words, indicating that so far as it was concerned there was no suggestion of a finding of negligence:

Your committee is not called upon to question the manner in which Sir Thomas White made use of the powers given to him, or whether he exercised his discretion correctly or otherwise.

But the claim of the Home Bank depositors has been found by the Banking and Commerce committee to be what was denominated a moral claim in equity. Frankly, an appreciation of the significance of those terms will necessarily present some difficulty. But there can be no question about this: no one can have a legal claim against the government. No government can be sued without its consent, consequently it is fair to say that the Home Bank depositors would have no legal claim against the government. What claim they might have must be other than a legal claim.

Mr. MEIGHEN: I do not understand the hon. member's reasoning there. Does he say that anybody can have a legal claim against the government?

Mr. SHAW: Well, so far as the government is concerned it certainly cannot be sued without its own consent.

Mr. MEIGHEN: That has nothing at all to do with the question of the legality of the claim.

Mr. SHAW: If the claim is one that cannot be realized upon, then certainly it is of no value to the claimant.

Mr. MEIGHEN: If the fiat is granted, then it is the legality which is tested; the courts decide whether or not the claimant has a legal claim. The question of granting or not granting a fiat has nothing whatever to do with the legality of the claim.

Mr. SHAW: I am suggesting to my right hon. friend that I am using the term with this significance; unless one gets the consent of the government to prosecute his claim he is absolutely out of court; under the law he can have no claim. I am not seeking to justify my words simply by differences which are, perhaps, indefinite distinctions. But I do say, and it is held by the Banking and Commerce committee, that the Home Bank depositors have no legal claim against the government for reimbursement.

9 p.m.

Now, upon what does their claim rest? It seems to me it rests upon two or three very definite particulars. First of all, the attention of the Minister of Finance of the day was called at two different times to the condition of the Home Bank arising out of the situation which then existed. Sir Thomas White did not feel justified in taking action which but for the war he probably would have taken. I desire to read, Mr. Chairman, a statement given by Sir Thomas White himself in evidence in this connection. This is taken from page 345 of the evidence:

I would never think of putting in a special auditor in a bank and taking chances, especially at a time like that, of closing the bank.

And further he says, page 359:

Under no circumstances would I have allowed a bank to fail during the period in question. I had many difficult and dangerous financial situations to deal with during the war. At its outbreak, in view of the panic which prevailed, the government at my instance placed itself behind the banks of Canada and gave public assurance that it would loan them such sums as they might require to meet the conditions of the war, and would take all further steps necessary to safeguard the financial situation during its continuance.

And further:

The action I took was in my discretion; in exercising his discretion, a minister must have regard to conditions, because conditions have a direct bearing upon the consequences attendant on his action to the bank and the general situation. If you make a mistake in putting in an auditor, in peace time the consequences may be a run producing little effect upon the bank; if in war time, you may bring down the bank and, in addition, you may cause an unspeakable calamity to the country.

That is the statement of Sir Thomas White, given in evidence before Chief Justice McKeown. Exercising what seems to me to have been a sound discretion, he decided not to take any action in the premises. Now, that is the situation that existed; that is the reason given by Sir Thomas White for having failed to take action.

One of the questions to which Chief Justice McKeown was requested to answer was as follows:

What effect would an audit under section 56A of the Bank Act, if made in 1915, 1916 and 1918, have had upon the conduct of affairs of the said bank and upon the position of the present depositors?

In answer to this question, he said:

For the reasons above set out, I think an effective audit under section 56A of the Bank Act made in 1916 or 1918, would have resulted, as far as concerns the conduct of the bank's affairs, in either,

(a) liquidation immediately following such audit, or,

(b) amalgamation with another bank.

And the effect of such audit upon the position of the present depositors:—

If made in 1916, the present depositors would have suffered no loss.

If made in 1918, I do not think any loss would have fallen upon them.

Taking into consideration the statements of Sir Thomas White and the findings of Chief Justice McKeown, it is perfectly clear that but for the war, and if the ordinary action had been taken which might have been expected, the Home Bank depositors would have suffered no loss at all. Owing to the war that action was not taken, and therefore it does seem to me that the Home Bank depositors have laid a basis in equity and in fairness to be compensated to some extent at least by this government.

I notice that it is proposed to pay these depositors thirty-five per cent only of their claim. If the claim is a proper one; if it is one which should be paid by the government at all, then it seems to me that in logic the only thing is to pay it in full. But in view of the fact that the Home Bank Depositors' Association, representing the thousands of depositors from one end of the country to the other, have indicated their approval of this adjustment, I have no comment, Sir, to make. May I say, however, that I would have preferred if a graduated scale of payments had been used instead of the present proposed method. Such a method it seems to me would not only be preferable, but it would be fairer, it would be juster, and most important of all it would do the greatest possible good to those most deserving. I presume that this matter too has been taken up by the government with the Home Bank Depositors' Association. I do not know, but if it could be worked out—and I think it can be—it would be a far more desirable basis of adjustment to adopt.

I understand that the right hon. leader of the opposition feels that in reimbursing the depositors this parliament is placing an unjust burden upon the shareholders of this defunct bank? They are called upon not only to pay a double liability, but also to pay their share of the taxes levied to make up the reimbursement of the Home Bank depositors. I have been credibly informed, however, that in practically every case the shareholders of this bank are depositors also; consequently the loss will not be as great as it might otherwise appear. More than that the shareholders were represented by counsel at the commission presided over by Mr. Justice McKeown and gave, in effect at least, their approval to reimbursement. I understand they have no objection whatsoever.

There is one other matter that was referred to to which I wish to direct a few remarks. It was suggested that the depositors should get the complete and full benefit of this appropriation. With that I am in full agreement. It was suggested, also, that an arrangement had been made that five per cent of this sum was to be used for the purpose of paying the promoters—shall I say?—of the bill, and that there were legal and other expenses—

Mr. ROBB: I may say right here that matter was only suggested this afternoon, and if it can be proven we will withdraw the bill.

Mr. SHAW: I trust that no opportunity will be afforded the minister to withdraw the bill. I am informed, on what I consider the best of authority—because I made inquiry into the matter myself, it is somewhat disturbing

—that the depositors themselves have raised every dollar that has been expended on their behalf; that they have financed the depositors' committee, that they have financed and proposed to finance in full the legal costs and charges that were incurred on their behalf. So that if the representations made to me are correct, and I have no doubt they are, the depositors will get the benefit of every dollar of the money appropriated by this parliament for the purposes of their reimbursement.

Mr. KING (Kootenay): The Acting Minister of Finance (Mr. Robb) to-day, following his customary practice, presented this most important matter in a very terse and concise way to the House. He reviewed clearly and distinctly the various steps that have led up to this resolution. He pointed out that shortly after the failure of the Home Bank, through a process of law, a liquidator was appointed and later on the depositors formed themselves into groups throughout the country—formed what was known as depositors' committees. These committees, through representatives from individual bodies, finally met in Toronto and there drew up a manifesto which they presented to the government of the day. They claimed at that time that their position as depositors was different from that of depositors of banks that had failed previous to the failure of the Home Bank. They claimed that in the year 1916 and on to 1918, the bank was not in a condition to continue business; that the Minister of Finance of that day was advised of the seriousness of the bank's condition, and that if he had exercised his power he could have directed a special audit of the bank. They did not represent to the government that the Minister of Finance had failed in his duty in not instituting this special audit, but they did represent that in 1916, and on to 1918, the minister did not exercise his power but, in view of the existing situation, allowed the condition that prevailed to go on—that if the audit had been made the doors of the institution would probably have closed, and if that had happened there would have been sufficient money to have paid the depositors. That was the statement made in the representations of the depositors to the government; I am summarizing the circumstances because I do not wish to delay the House.

The government after hearing the representations of the depositors, and they were expressed by skilled counsel, followed the course which governments had usually followed under like circumstances. The Governor in Council appointed a royal commission, and Mr. Justice McKeown was chosen to hold an inquiry and bring out the facts and the evidence. That inquiry took place and was carried on over a period of days if not of weeks. Witnesses were examined and Mr. Justice McKeown—I do not believe, as the right hon. leader of the opposition said to-day that the commissioner made a finding—placed the evidence before the government. Then the government, following the customary and proper procedure, brought the report to parliament by which it was referred to the select standing committee on Banking and Commerce. That committee, in its judgment, referred the matter to a sub-committee originally composed of five members but later on enlarged to seven. That sub-committee was instructed to review the evidence brought out by Mr. Justice McKeown and report back to the general committee. That was the procedure followed up to that date.

The right hon. leader of the opposition this afternoon twitted the Acting Minister of Finance and said that he would not say there was a moral claim, neither would any of the ministers. My right hon. friend, however, forgets that one of the most important committees, of the House—the select standing committee on Banking and Commerce—through its sub-committee did find there was a moral claim in equity. More than that, the general committee adopted the findings of the sub-committee by a large majority. So I do not think we need beat around the bush on the question as to whether there is a moral claim or not. The sub-committee of the Banking and Commerce committee found there was a moral claim in equity. That finding was confirmed by the committee itself, and later by this parliament. Therefore I contend that the resolution before us to-day is founded on the fact that there is a moral claim in equity. Following that up I will read a short extract from the committee's findings which is to be found in the report of the select standing committee on Banking and Commerce for 1924:

> Your committee have sat from time to time, and have studied the interim report on the Home Bank submitted by Mr. Chief Justice McKeown and the evidence therein referred to.
>
> Your committee consider that the facts therein brought out and the evidence therein referred to clearly establish that the depositors of the Home Bank have no claim under the law of the land for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.
>
> But your committee are also of the opinion that, in view of the representations made to the Department of Finance in the years 1916 and 1918, the government of the time could have made in 1916 and in 1918 an effective audit under section 56A of the Bank Act, and if such an effective audit or thorough investigation into the bank's affairs had been made it would have resulted:—

1. In the immediate liquidation of the bank, or
2. Its amalgamation with another bank, and that the effect would have been, no loss to the depositors in 1916 or 1918.

Your committee have studied the evidence given before the royal commission by Sir Thomas White, who was then Minister of Finance, and particularly his statements: "I would never think of putting in a special auditor in a bank and taking chances, especially at a time like that, of closing the bank" (page 345);

And further:

"Under no circumstances would I have allowed a bank to fail during the period in question. I had many difficult and dangerous financial situations to deal with during the war. At its outbreak, in view of the panic which prevailed, the government, at my instance, placed itself behind the banks of Canada and gave public assurance that it would loan them such sums as they might require to meet the conditions of the war, and would take all further steps necessary to safeguard the financial situation during its continuance". (page 359).

And further:

"The action I took was in my discretion: in exercising his discretion, a minister must have regards to conditions, because conditions have a direct bearing upon the consequences attendant on his action to the bank and the general situation. If you make a mistake in putting in an auditor, in peace time the consequences may be a run producing little effect upon the bank; if in war time, you may bring down the bank and, in addition, you may cause an unspeakable calamity to the country". (page 743).

That was the evidence of Sir Thomas White which they quoted. The report continues:

Your committee is not called upon to question the manner in which Sir Thomas White made use of the powers given to him, or whether he exercised his discretion correctly or otherwise.

Your committee consider that the facts brought out in the Interim Report submitted by Mr. Chief Justice McKeown, and the evidence therein referred to, establish that the depositors of the Home Bank have a moral claim in equity for compensation by the country on account of any loss they may suffer by reason of the failure of the Home Bank.

I will not read the concluding paragraph of the report, because it was struck out on a motion by one of the members, but the question being put on the main motion for the adoption of the report, it was agreed to in the affirmative, yeas 27 and nays, 11, and the chairman ordered the presentation of the report as agreed to by this committee.

Now, Mr. Chairman, I do not think if one takes into consideration the committee's report, and the fact that this report was adopted by the House, that there can be any question in the mind of any hon. gentleman in this House that there is a moral claim established here. My right hon. friend the leader of the opposition said that he would agree to a compassionate allowance. Personally I do not think this is a case for a compassionate allowance. The claim has been established and payment should be made in a proper way.

Sir HENRY DRAYTON: Would the minister please give us his interpretation of a moral claim in equity?

Mr. KING (Kootenay): I do not require to give it.

Sir HENRY DRAYTON: I do not think the minister can, but I would like to hear him try.

Mr. KING (Kootenay): This is a claim made by the depositors, many of whom lost their all in the unfortunate occurrences that took place during the years 1916 to 1918. Without laying any blame at the door of anyone, there were conditions existing in the country that did create moral claims, and many moral claims have been assented to by this government. As far as the constituency I have the honour to represent is concerned, I know the people resident there. Many of them come from the eastern provinces, from the Maritimes, many of them come from the Old Country, Scotland and Wales and many of them from the continent of Europe. I have had close associations with these people over a number of years, and they are not the type of people who appeal for compassionate allowances. I have seen them under great trials and tribulations. I was in the city of Fernie following the explosion where one hundred of the husbands and sons of the mining people had been killed in one blast. I have seen them when fire destroyed their homes, practically wiping out the city completely, so that they were required to move out for a period. I have seen them also during the periods of epidemics, when there was sickness in every household and death at their doors. I refer to the epidemic of 1918. I know the fortitude of these people and I know that they accepted the situation on every occasion as something beyond their control, but they met it standing up. When I visited the city of Fernie on New Year's day in 1924 I found a body of men and women of an entirely different mind and disposition from that which they possessed under other trials and tribulations.

I think, Mr. Chairman, that this is one case probably in the history of this country when we can take a different view without establishing a precedent, because I hope in our time and generation we will never have conditions existing in Canada such as we experienced during the war period where it was necessary for ministers, on account of the war and conditions then existing, to do probably what they would not have done under normal conditions. I do not think the amendment

should be considered for a moment. This subject was under discussion in parliament in 1914. The legislation for the relief of the Farmers Bank passed this House on that occasion, but unfortunately it did not receive the support of the upper chamber. However, those conditions were not comparable with the conditions existing in 1916, 1917 and 1918. I quite agree with my hon. friend from West Calgary (Mr. Shaw), and as the representative from the district of Kootenay, I say that it would be agreeable to me to see their total loss made good to the depositors. The depositors committee I think have shown good judgment and foresight in the fact that they have, considering all conditions surrounding the claim and the circumstances connected with it, indicated that if the government of Canada or parliament will vote $5,450,000 to be expended in liquidation of their claims, that should be accepted as reasonable and fair compensation for their losses in this connection. I trust that this resolution will receive the same support this evening as was accorded it this afternoon. I find in every part of the House a desire on the part of members that there should be some measure of relief, and I trust the bill will carry successfully through this House and also through the upper chamber.

Mr. LANCTOT (Translation): Mr. Chairman, it would have afforded me much pleasure to have been present in the House this afternoon, so as to listen to the address of the hon. Acting Minister of Finance (Mr. Robb) on the resolution which is now being discussed in committee, and to hear his views on the subject matter. Unfortunately, being absent, I could not glean any information on the subject from those who took part in this debate.

I listened, this evening, to the hon. member for Marquette (Mr. Crerar) who was one of the directors of the Home Bank. He stated, among other things, that if the directors and the Minister of Finance had been able, in 1916, to replace the president of this bank by a more energetic and firm man, perhaps—he says—that person might have saved said bank from bankruptcy.

Later on, it was stated in the House that Sir Thomas White did not wish to take action owing to the war. We have committed so many blunders since 1914; under the plea of war! I did not think that this government or any of its members would dare one day make use of the war as a mantle to cover their deeds! Indeed, I thought that all this ended with the general elections of 1921.

[Mr. J. H. King.]

Now, Sir, are we in a position to undertake all this expenditure, such as $5,450,000 and other five millions—it is always a case of five million dollars? I am wondering where all this will lead us to. I somewhat share the views of my hon. friend from Sherbrooke (Mr. McCrea): Where shall we find the money? Borrow!

In the past, we had in the county of Laprairie and Napierville, three bank failures; not one, but three: the Ville-Marie Bank, the Banque du Peuple and the Banque de Saint-Jean. There happened to be in my county, three branches of the Banque de Saint-Jean and we received from the liquidator of the latter bank, at the end of two years, thirty cents on the dollar, and from the liquidator of the Ville-Marie Bank, eleven cents on the dollar. Did the government of that day think of reimbursing us? No.

When the question of the Farmers' Bank was being discussed by the House, in 1913, I had occasion of taking part in the debate, and I well remember what I suggested then to my good friend Mr. Henderson, who was one of the oldest members of the House: If you will undertake to indemnify the depositors of the three banks that failed in my part of the country, I shall support your request on behalf of the Farmers' Bank. However, let us be fair. If we indemnify the depositors of one bank that fails, we must indemnify those of all the banks that have failed in the past. My electors who sustained considerable losses through the failures of these three banks which I have mentioned are not willing to reimburse the depositors of the Home Bank. I state that it is very unfair and I protest in the strongest possible way in the interest of my electors who were the victims of these three failures.

Is the government going to be so unfair, Mr. Chairman, on the eve of going before the people? I cannot conceive it.

We are told that Sir Thomas White would not take action at the time, because it was during the war; but the war ended in 1918, on November 11, through the armistice. If he were sincere, why did he not take action after the war? Why did he not call a meeting of this corrupt Board of directors—for when a bank fails, it is because the management is corrupt? They are thieves, brigands. Why should the country pay for this failure? No, this is not the way to carry on business. I am more than tired of this kind of thing. If Sir Thomas White was so much in earnest in 1916 and 1918, why was he not so after the war? He could have closed the doors of that institution after November 11, 1918. I would very much like to know what was the amount

of the deposits in the Home Bank in 1918? Why did he allow this bank to carry on its business until 1923? Was it, so that it might further rob the people? Could not the ex-Minister of Finance, the hon. member for West York (Sir Henry Drayton) have also done something when he succeeded to Sir Thomas White? Could he not have then inquired into the state of this institution? Could not the hon. member for Marquette, who was a director of the bank, have brought the matter to the attention of the Minister of Finance, when he himself was a minister in the Borden cabinet? No, they allowed things to run their own way until not a cent was left in the bank. And after it is all over, they come and ask us to indemnify the depositors of the Home Bank. It is Sir Thomas White, the champion of the millionaires, who exempted from taxation the income from $931,000,000 which represents a revenue of $18,400,000, when there are in this country 278,000 people who turn over to the treasury $15,000,000 of income taxes per year. They are the people who the millionaires will force to reimburse the depositors of the Home Bank. Rest assured, Sir, that it will not be the large interests that will do the reimbursing but those of moderate means.

With reference to the resolution now before the House and the amendment thereto, I beg to move the following subamendment:

That after the words "the Farmers' Bank thereof", there be added the following: "La Banque du Peuple, la Banque Ville-Marie and la Banque de Saint-Jean."

Sir HENRY DRAYTON: In the first instance, I wish to congratulate the hon. member for Marquette (Mr. Crerar) on the statement he made this evening. It was a fair statement and it does not conflict with a single word that I said that I can recollect. My statement was, as I think he learned, occasioned by what I considered to be a most uncalled-for attack upon Sir Thomas White by a former follower of the hon. member for Marquette in connection with an action which Sir Thomas White took, certainly upon the advice and at the request of the hon. member for Marquette. If the hon. member for Marquette will take the trouble to look at Hansard to-morrow, I think he will find that not only did I give him credit for honesty in his representations, but I continued that credit for honesty right down to the end of this whole transaction with the bank, yes, right down to the time when he sold his last share. I was pleased to do that as I thought it was right, as I thought it was true. In connection with the claim, the hon. member for West Calgary (Mr. Shaw) has not helped me very much as to what a moral claim in equity is. From his definition, I take it that it would be any claim against the government, no matter what that claim rested upon, that had not been fortified by a fiat. In other words, a moral claim becomes a legal claim against a government when a fiat has been granted.

Mr. SHAW: Will the hon. member deny this principle which has been laid down by one of the highest judges in the Old Country, that there is substantially no difference between a moral claim and a legal claim so far as a government is concerned; that a moral claim necessarily blossoms into a legal claim?

Sir HENRY DRAYTON: It is a very poor government that does not look upon any moral responsibility as a legal responsibility once it is shown. One of the things that is troubling me at present is this: Is our appreciation of moral responsibility a dividend of 35 per cent? That is one of the things that is bothering me. If we put it on the basis of moral right, I would like to think that the appreciation this parliament has of a moral obligation is at least 100 per cent, and that is one of the troubles I have in connection with this matter. It is quite true my hon. friend can find one or two sentences to quote in connection with the war. He can find that in connection with any cross-examination. He will find things here and things there, but if he goes to the argument of Sir Thomas White, if he goes to what he really relied on, what he relied on was the Crerar letter and what was done by the western directors. He was relying upon several things there. He relied, for example, upon the valuation made by my hon. friend from Marquette (Mr. Crerar) and Mr. Haney in connection with one of the worst accounts. He was relying on what he learned from a gentleman whose word, as I said this afternoon, and still say now, he had a right to rely upon, and made no mistake in doing so. That is the real thing.

As to the legal rights, we are agreed in one sense; there are none at all, but I do think there are special reasons why we should do something for the depositors. I am going to tell you frankly, Mr. Chairman, I am in favour of it. I am in favour of something being done for the depositors. I do not like the form of my hon. friend's resolution. I do not like the term "current account". I do not know exactly what might not come under "current account". I would much prefer it covered just depositors, with deposits in open accounts or deposits with notes. I would like to be clear that the only people we are helping are the depositors.

Something happened the other day which made me think that certainly something ought to be done. I made the request, and not only myself but it came from other quarters during the session of 1924, that the terms of the submission should be enlarged so as to enable the granting of the charter to be looked into. Of course, the original submission covered the period when Sir Thomas White was Finance Minister. Then we had an enlargement which covered any action during the history of the bank from the time of the granting of its charter down, but we never got an amendment which would have enabled us to have looked into the granting of the charter. That was asked for, but we were not able to get it.

Mr. MACKENZIE KING: I think that was granted.

Sir HENRY DRAYTON: No, my hon. friend has never granted it. I had a ray of hope at one time, but perhaps greater caution intervened, or something happened at all events, and we never got it. If my hon. friend looks at the report he will see that the amendment, instead of covering what I was most anxious to get covered, merely gives the right to investigate the bank's affairs from the time it got its certificate and started to do business. Now the reason I was particularly anxious to get that is very plain. The original act of incorporation was in 1903. There was another act, the act of 1904, which was an act extending the time really. The usual thing is that the bank is to take advantage of the provisions of the Bank Act within a year of its incorporation. That was the limit at that time, as I understand it. Well, during the discussion, and there was very little discussion, I am free to say, in connection with the act of 1904, the Minister of Finance at that time pointed out that the request was rather out of the ordinary, and the matter would have to be discussed in committee. I have been unable to find anything in connection with the committee's discussion, but the time was extended for taking out the certificate for two years, under the act of 1904. As a matter of fact, the certificate was granted on the 29th of June, 1905. There were, as far as I have been able to find out, serious troubles in the way of the promoters. It was not so much about the matter of incorporation, as it was making an exchange of the assets of the old Home Savings and Loan Company, slow assets, assets of a loan company, which ought never to be made the basis of a bank. They had to arrange to have these taken over by the bank. Hon. gentlemen from the neighbourhood of Toronto will remember that in 1903 we were recovering from a disastrous real estate boom which subsequently collapsed, and my own idea was that it was a very good thing that the Home Savings Company was able to get rid of a good many of their investments which were taken over by the bank. It is significant that the accounts which have made trouble in connection with the Home Bank were to be found, two of them at least, in those original accounts. What drew my attention to it most particularly was something I noticed in Toronto in connection with the criminal proceedings. In the Court of Appeal the other day one of the justices of the Court of Appeal asked, when did the Home Bank become insolvent? The learned chief justice of that court, who besides being a lawyer of repute and a judge of long standing is also an excellent financier, said that it was insolvent the day it opened its doors. Now if there is one thing we ought to look after in connection with banks it is that we start them right, and if the hon. chief justice of Ontario was correctly reported, and if he was right, we certainly are liable. If there is one time the government ought to look after a bank it is when it starts that bank out. It ought to make sure that it is solvent then at least; it ought to make sure that it commences business in such a way that it will at least have some show of success.

Mr. MACKENZIE KING: I have before me a copy of the order in council of the 17th of March, 1924, which enlarges the scope of the commission, one clause of which reads:

> The committee of the Privy Council therefore advise that the powers of the commissioner under the said order in council be not limited to the specific years 1915, 1916 and 1918 referred to in the petition of the depositors, but should extend to an investigation of the affairs of the said bank during the whole interval between the issue of the bank's charter and the failure of the said bank, including any representations made to the government of the day, as to its condition, any action taken by way of the Ministers of Finance upon such representations as may have been made, and the effect on the position of the depositors of any audit under Section 56A of the Bank Act if made at any time in consequence of such representations.

I thought that went as far as my hon. friend wanted to go.

Sir HENRY DRAYTON: No, and I brought that up twice in the House since, as my hon. friend will see at page 357 and page 764 of Hansard. What we wanted to find out was how its charter ever came to be granted. We have not been able to get that, but of course in the criminal proceedings they may have been able to get some evidence in connection with it. At any rate, I observe from the report in connection with the appeals pending

before the Court of Appeals that that question was put by one of the judges, and answered by the chief justice in the terms which I stated—that the bank was insolvent when it opened its doors. If the report is right, and if the learned chief justice is right, then we have every reason to pay something to these depositors.

There is another reason why I think we should pay something to these depositors; I am not going to labour this, because I have already said it on more than one occasion. I admit the whole matter could not have been looked after by taking the stand that we were merely interested onlookers. But my view is that the position of the Finance Minister was not that of merely an interested onlooker; it was his duty to see that the banks were carried on. I really think that my hon. friend the Acting Minister of Finance made a mistake. I do not know whether he did himself justice in his evidence at page 575 when he says that while in Montreal seeing Sir Vincent Meredith he made it quite plain to Sir Vincent that he was there merely interested as an onlooker. I think there is something which everybody affected by the bank's failure has a right to complain of. No Minister of Finance, I submit, Mr. Chairman, discharges his duty by simply being interested as an onlooker when a question so vital and so material to our whole financial policy is at stake. I think on both these grounds I can well support aid to the depositors.

I want to say one thing to my right hon. friend the Prime Minister (Mr. Mackenzie King) in connection with the little incident this afternoon as to the Senate. I have been approached twice by depositors, and I can tell him very frankly that the advice I gave them was to make sure of this relief by having it included in the estimates. My right hon. friend may think that is odd; I do not. He is going straight against what the Senate has done in the past. If he is looking for a precedent, I would remind him that the Liberal Senate said no to the proposal for relief to the Farmers' Bank depositors,—just such a similar proposition as this.

Mr. MACKENZIE KING: The grounds were entirely different in the two cases.

Sir HENRY DRAYTON: Yes; here you have a nebulous charge against Sir Thomas White; there you had a definite charge of breach of statutory obligations on the part of the Minister of Finance. There is a provision in the Bank Act that so much cash must be put up before a bank can function. Well, what happened in connection with the Farmers' Bank? No cash was put up, but a note was floated and put back again. The case of the Farmers' Bank depositors was infinitely stronger. I do not want to discuss it. We can find reasons for making nice distinctions here and there in pretty nearly everything, but those are the facts. On that occasion the Senate threw the bill out. My right hon. friend says that he is anxious the Senate should not deal similarly with this measure. I tell him—he may not know it—that his government have done every single thing calculated to make the Senate throw out the bill. I am asked how. Well, it is quite plain. Here is a case of voting money under conditions where there is no room for negligence, no statutory provisions have been offended in the slightest. We have got a law under which it is our business to look after our chartered banks. It is our business to go right into the banks, to know every single thing about each bank, so that we may have knowledge long before the time of failure whether a bank should be allowed to continue business or not. No one that did not require the services of a committee to sit on his sanity would argue that there is not a far greater responsibility for default and negligence where you have the men and the machinery for making sure of these things than where you have not.

Mr. MACKENZIE KING: Does my hon friend suggest any reason why the Senate should throw out this bill that would not be equally applicable to this House taking the same course? Are not his reasons for supporting the bill in this House equally as strong for its support in the Senate?

Sir HENRY DRAYTON: What does my right hon. friend think of the action of the Senate in the Farmers' Bank case? He and I do not look at this thing in the same light. I feel that the Home Bank depositors have been wronged, and I want to help them, but I do not approach the subject from the same avenue as my right hon. friend. But he is getting away from the point. I say his government have done everything they can do to get the Senate to throw this bill out. This is the law initiated by his government dealing with the machinery and the duty of those concerned in a case of this kind:

> The government shall not incur any liability whatever to any depositor, creditor or shareholder of any bank, or to any other person, for any damages, payment, compensation or indemnity which he may suffer or claim by reason of this section or anything therein contained, or by reason of anything done or omitted to be done under the requirements thereof, or by reason of anything omitted to be done which is hereby required to be done, or by reason of any order or direction of the Governor in Council or of the minister

in the execution or administration of the powers or any of them by this section conferred, or by reason of any failure or omission on the part of the Governor in Council or of the minister or of the inspector, or of any officer or employee of the government to execute or discharge any power, authority or duty thereunder, or otherwise by reason of any default, negligence, mistake, error or omission in the administration or discharge of the powers or duties which in any circumstances are by this section intended or authorized to be executed or performed; and no such payment, damages, compensation or indemnity, nor any claim therefor, shall in any case be authorized, paid or entertained by the government.

Mr. Chairman, it is impossible to think of a more sweeping provision to guard against every possible happening. It is subsection 16 of the new section 56A which provides for the appointment of an inspector and our extended powers of exploration of banks. In view of the action of his own government, in view of their legislative declaration, I do not think my right hon. friend can very well blame anyone who, to make sure of this aid becoming effective, thinks it should be included in the estimates. He says, "Why should it be put in the estimates?" Well, the other house may want to be consistent. They may say, not understanding the government as well as we do, "Why, only last year at your bidding we adopted a principle under which we can never pay anything to a bank depositor even where we are responsible for the failure of the bank." It does seem to me, Mr. Chairman, that a senator would be giving a depositor very good advice if he told him to make sure that this assistance was included in the estimates.

Before the bill comes down I hope my hon. friend will give us full information so we can make some calculation for ourselves. I think we ought to have a complete itemized statement of the winding-up proceedings down to date, giving the amounts realized, the liabilities, the costs of the solicitors, the liquidator's payments in settlement of claims, and so forth, that we may have a full appreciation of how the depositors stand. Then I understand that detailed reports were made by Mr. Edwards, the auditor. I think we should have those tabled so that we may have the fullest particulars. Then I am further given to understand that reports have been made by the liquidator to the government in detail as to various matters in connection with the winding-up proceedings that the government is particularly interested in. I ask my hon. friend to also table those papers, and I suppose he will.

[Sir Henry Drayton.]

Mr. DUFF: During the discussion this afternoon the leader of the opposition (Mr. Meighen) criticized the government for asking parliament to vote this money in the form of a bill instead of putting the amount in the estimates. I referred the right hon. gentleman to a vote for $500,000,000 passed in this House in 1918, and I asked him if it was not a fact that this money was passed in the form of a bill instead of being placed in the estimates. He did not agree with me, but I was quite sure I was correct. I find that that was the procedure adopted at that time. If you will turn to the Votes and Proceedings of April 6, 1918, page 148, you will find that a resolution was introduced commencing with these words:

Resolved, that it is expedient to provide that a sum not exceeding $500,000,000 be granted to His Majesty towards defraying any expenses that may be incurred by or under the authority of the Governor in Council, during the year ending the 31st day of March, 1919.

For a number of specific purposes. That is the exact procedure the government is following in this case. The record shows that the resolution to which I have referred was reported on the same day. I quote from the Votes and Proceedings:

Ordered, that Mr. Reid (Grenville), for Sir Robert Borden, have leave to bring in a bill, No. 38, for granting to His Majesty aid for military and naval defence.

He accordingly presented the said bill to the House, and the same was received and read the first time; and ordered to be read a second time at the next sitting of the House.

This bill, No. 38, was the bill founded on the resolution introduced on April 6, 1918 Now, at page 571 of Hansard of 1918, April 10, I find the heading:

War Grant—$500,000,000

Prime Minister gives Details of War Expenditure and Major General Mewburn Explains Military Estimates.

Then it goes on to say:

Right Hon. Sir Robert Borden (Prime Minister) moved the second reading of Bill No. 38, for granting to His Majesty aid for military and naval defence.

He said: Mr. Speaker, I proposed the second reading of a bill very much the same as this in February, 1917, and I had then great hope that it would never be necessary to propose in this House a vote for war purposes of so large an amount.

And so on. This shows conclusively not only that a bill was introduced for this purpose in 1918, but that Sir Robert Borden, according to his own statement,

10 p.m. had asked for a large sum of money in the form of a bill in 1917. Now, if you turn to the statutes of Canada for 1918, volumes 1 and 2, you will find chapter 45, An Act for Granting to His Majesty Aid for Military and Naval Defence.

This is the act which was Bill No. 38 to which I referred a moment ago, and it is cited as The War Appropriation Act, 1918. Section 2 says:

> From and out of the consolidated revenue fund there may be paid and applied beyond the ordinary grants of parliament a sum not exceeding $500,000,000 towards defraying any expenses that may be incurred by or under the authority of the Governor in Council.

And so on. This shows that I was right in my statement this afternoon and that the leader of the opposition was mistaken when he said that these amounts were usually placed in the estimates, instead of being appropriated in the form of a bill. It will be noticed also that clause 2 says:

> There may be paid and applied beyond the ordinary grants of parliament—

So that it has nothing to do with the estimates, consequently this government is following the correct procedure in this case when the Acting Minister of Finance introduces a resolution on which he intends to base a bill.

Amendment (Mr. Lanctot) negatived.

Amendment (Mr. Kennedy, Glengarry and Stormont) negatived; Yeas, 15; Nays, 100.

Motion (Mr. Robb) agreed to: Yeas, 100; Nays, 20.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 182, for the relief of the depositors of the Home Bank.

Motion agreed to and bill read the first time.

CRIMINAL CODE AMENDMENT

Hon. ERNEST LAPOINTE (Minister of Justice) moved the second reading of Bill No. 147, to amend the Criminal Code.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

Section 1 agreed to.

On section 2—Police magistrate.

Mr. LEADER: Has there been any explanation of this bill? I have not heard any.

Mr. LAPOINTE: I am quite willing to give any explanation as the sections are called. As far as section 2 is concerned it is submitted at the request of the Deputy Attorney General of British Columbia. A deputy police magistrate has been appointed for Vancouver, and it is proposed to give him the same power as the police magistrate.

Section agreed to.

On section 3—Penalty for skipping bail.

Mr. LAPOINTE: The purpose of the amendment is to make it an offence for anyone to skip his bail. This has been urged specially by the Attorney General of the province of Quebec. It has become a common practice, especially in the city of Montreal, for certain offenders to give bail and then go away.

Section agreed to.

On section 4—Amendment to penalty clause in respect to advertising, printing, posting or selling intelligence on horse racing.

Mr. GOOD: I should like to ask the minister if this is exactly the same provision that was passed by the House two years ago and subsequently amended in the Senate?

Mr. LAPOINTE: It is exactly the provision that was enacted by this House two years ago. It is the amendment which I promised to bring before the House.

Section agreed to.

On section 5—Agricultural fairs granted partial exemption from penalty clauses.

Mr. LAPOINTE: This amendment has been suggested by the Department of Agriculture, but I am informed by the minister that he would like some change to be made in this section as drafted. I ask to have the section stand for further consideration.

Section stands.

On section 6—Driving motor car while intoxicated.

Mr. LAPOINTE: This is merely a clerical correction in the subsection as appears in the code; after the word "term" we add the word "imprisonment."

Section agreed to.

On section 7—Carnally knowing any girl between 14 and 16.

Mr. LAPOINTE: This section has been enacted in the House many times, but never came back from the Senate. We are trying once more to put it through. The only thing we eliminate is the words "of previously chaste character" after the word "girl."

Section agreed to.

On section 8—Bailee not producing or delivering any article under lawful seizure by peace or public officer.

Sir HENRY DRAYTON: What is the change?

Mr. LAPOINTE: This amendment has been suggested by the law authorities of the western provinces. It appears there has been a doubt as to the prosecution of men, especially farmers, who have been appointed bailees of their own grain when under seizure by the sheriff, and who fail to produce the grain at the appointed time. The difficulty is that they are in lawful possession of the grain because they have been appointed by the sheriff to take care of it, but if they have disposed of the grain it is very hard to prosecute them under the law as it stands.

Sir HENRY DRAYTON: It seems to be as sweeping provision. The House might just as well know what it is doing. This is simply saying that what might well be a matter of accounting becomes a criminal offence and the provision affects a class of people who do not know too much about accounting or about the law.

Mr. LAPOINTE: I think if my hon. friend will read the section carefully he will see that it is well explained. It says:

347a. Every one who, being a bailee of anything capable of being stolen which is under lawful seizure by a peace officer or public officer in the execution of the duties of his office, and being obliged by law or agreement to produce and deliver the thing bailed to such officer or other person entitled thereto at a certain time and place, or upon demand, commits theft and steals the thing bailed if he does not so produce and deliver it; provided that a person accused under this section shall not be convicted if it be proved that the non-production and non-delivery of the thing bailed is not due to any wilful act or omission on the part of the person accused.

Sir HENRY DRAYTON: It is just exactly as I say. It is a matter of accounting. The man is supposed to have so many bushels of grain and is left in charge of it. If he finds he is one or two bushels short, under this section he is a criminal.

Mr. LAPOINTE: If he is the legal custodian of a certain number of bushels of grain, and if he disposes of any of it, it is a matter of theft.

Sir HENRY DRAYTON: That should be a matter of proof. The responsibility of the crown to prove the conversion disappears altogether. A man is supposed to be guilty unless he can get some evidence to show he is innocent.

[Mr. Lapointe.]

Mr. LAPOINTE: Surely if he has appropriated to his use something which is not his property, it is for him to prove that in some way, on account of something not under his control, it has disappeared. If he takes the grain he is appropriating something which belongs to the court.

Mr. GARLAND (Bow River): May I suggest a difficulty here? Suppose a man has had a crop threshed by a regular thresher and the tally reads 2,000 bushels of grain threshed into the bin. Seizure is made, and the bailiff comes along and the man is left in custody of his grain. When later on the grain is hauled out it is found to be a hundred bushels short. That is the case on many farms in Canada. Are you going to hold a man responsible for short-threshing? He cannot prove it was short-threshed. All he can prove is that he paid for 2,000 bushels.

Mr. MARTELL: When a levy is made by a sheriff or baillee there is a valuation placed on the goods, and the bailiff simply levies on what he regards as sufficient to meet the amount of debt and costs. If this grain or whatever else it is has been seized, and the man is made the custodian of it, if he converts it to his own use, or makes away with it so that the bailiff cannot realize on it, of course he is guilty of theft, because it is in the custody of the law and is not his own property. The hon. member for Bow River says. "Suppose it is estimated at 2,000 bushels, and is found to be 1,900 bushels." Well now, when the sheriff levies he does not levy on all a man's property, but simply on sufficient property to meet the charge against it. Once the levy is made it becomes the property of the crown, and is left in the custody of the owner, to be produced when required. If a person is the custodian for the sheriff, and deals with the goods, when they are in his custody he is guilty of theft. If this were not so the sheriff would place a man in charge of seized goods and the cost of looking after them would be a charge against the defendant in costs.

Mr. BROWN: My hon. friend has not caught the point raised by the hon. member for Bow River (Mr. Garland).

Mr. MARTELL: That is what I understood him to say.

Mr. STEWART (Leeds): There is an answer to the hon. member for Bow River in the last three lines of the section, because he could easily prove that the non-production of the article was not due to any wilful act or omission.

Mr. GARLAND (Bow River): That is the very thing he cannot prove. He has paid for 2,000 bushels of grain to be threshed, and he believes he has 2,000 bushels, but when the grain is hauled out on order of the bailiff or sheriff and weighed, he finds there are only 1,900 bushels. The grain never was there. Who is going to prove it was not there

Mr. STEWART (Leeds): The man will get in the box and prove that he produced all the grain that was threshed, all that was in the granary, and all that was stored, and he would immediately be acquitted.

Mr. STEVENS: I object to any law which makes a man a criminal and then places on him the onus of proving his innocence. That is what is done here. I do not care whether it was grain or anything else. It might be grocery stock or anything at all that is commonly the subject of a bailiff's seizure, and under this amendment as I read it a man is made guilty of a criminal offence until he can prove himself to be innocent of that offence.

Mr. GARLAND (Bow River): Hear, hear.

Mr. STEVENS: That is contrary to the principles of British law. I understand that is the procedure followed in France—that a man is supposed to be guilty until he proves himself innocent. A further point the Minister of Justice should consider is this: Is there not too much of a tendency nowadays to change what might be a civil dispute into a criminal offence?

Mr. LAPOINTE: No.

Mr. STEVENS: Still, you are declaring that a man is guilty unless he can prove his innocence. I sympathize with the viewpoint of the hon. member for Bow River (Mr. Garland). Supposing a man was put in charge on his own farm of what is presumed to be 2,000 bushels of grain, that is all under seizure, but when the grain is weighed at the elevator or where it is delivered, it is found to be 100 bushels short. Under this clause the man can be charged with the theft of 100 bushels of grain.

Mr. STEWART (Argenteuil): I am not keen about this, but it is not that case they are after at all. It is the case of the disappearance of goods while in the hands of the custodian, not the original owner at all. I say frankly that I am not particularly in favour of it.

Mr. STEVENS: I do not care who the custodian is, if he were an ordinary bailiff, he would be guilty under this.

Mr. LAPOINTE: As I have explained, this clause has been suggested by people who have experience in the west. I am not tied to it at all. It has been suggested by men accustomed to deal with legal matters in the west, that the absence of such a disposition as this makes the western provinces somewhat of a dishonest debtors' paradise. I thought I was doing something rather in the interest of the west by inserting this clause. If my hon. friends from the west are opposing it, I am quite ready to drop it.

Mr. GARLAND (Bow River): The idea which the minister has in mind is probably a good one, but I have submitted a difficulty which must be met and which, I think, should be removed as regards this section. I have no objection to the principle which the minister seeks to establish excepting in so far as is pointed out by the hon. member for Vancouver Centre (Mr. Stevens) that it places upon the unfortunate man who may at the moment be the holder of the goods that are seized, the responsiblity of proving that he was not guilty of a disappearance in which he had no part. I object to that principle. As regards protecting the public, I am in accord with the minister.

Mr. MARTELL: This is like every other criminal case—the burden of proof is upon the prosecution. If the quantity is supposed to be 2,000 bushels and the attorney general finds that it is only 1,900, the man is charged with theft of or converting to his own use 100 bushels. The burden is upon the crown to show that the man actually had the extra 100 bushels in his possession, and converted them to his own use in some way. I do not see how anybody is going to be hurt. You are not by this clause putting the burden of proof upon the defendant. If the bailiff seized 2,000 bushels of grain and it turns out afterwards that there were only 1,900 bushels, and if the bailiff really believes that the 100 bushels were misappropriated by the person holding them in custody, he can lay a charge and it is incumbent upon the bailiff to prove that the 100 bushels were stolen.

Mr. STEVENS: That is the law now, but this clause goes further than that. This says that the man is guilty of theft and says to him: Prove your innocence.

Mr. MARTELL: I have not read the clause. I have been listening to the argument only. If it is putting the burden of proof upon the defendant, I will vote against it; but it does not put the burden on the defendant.

Mr. STEVENS: The clause reads:

Everyone who, being a bailee of anything capable of being stolen. . . . commits theft and steals the thing bailed if he does not so produce and deliver it.

That is the clause. Then there is this proviso:

Provided that a person accused under this section shall not be convicted if it be proved that the non-production and non-delivery of the thing bailed is not due to any wilful act or omission on the part of the person accused.

But he is accused of the theft and he must prove his innocence. He has the stigma of being prosecuted in the police court as a thief, and the only chance he has to get clear is to make it evident that he did not do the thing wilfully. This is a very serious violation of the well known principle of British law.

Mr. LAPOINTE: I would ask that the clause stand.

Mr. ARCHAMBAULT: Does section 347 not cover what is meant?

Section stands.

On section 9—Penalty—official destroying security.

Mr. LAPOINTE: This has the effect merely of striking out the word "public" before the word "officer" and the word "company". The expression "public officer" as applied to companies is obsolete, and having in view the definition "public officer" in section 2 (29), it would seem that this expression should be modified accordingly. As regards private companies, the Companies Act defines what a private company is as distinct from a public company. It is a company of which the stock is not open to the public, but is divided, say between fifty persons. There is no prospectus and there are some other distinctions of a similar character. There is no reason why an officer of such a company who destroys, alters or falsifies his books, should not be liable to the same penalty as an officer of any other company.

Section agreed to.

On section 10—False prospectus, statement or account by directors or officers.

Mr. LAPOINTE: Exactly the same amendment is made there by striking out the word "public".

Section agreed to.

On section 11—Use of word "royal" without authority.

[Mr. Martell.]

Mr. SHAW: Surely this is extending the law to a remarkable degree.

Mr. McMASTER: Is the Minister of Justice going to put in gaol the officers of that highly respectable trust company whose head office is in Montreal and which has branch offices in Toronto, Ottawa and other places because they call themselves the Royal Trust Company?

Mr. LAPOINTE: If they use the word "royal" without applying in the proper form to those who will give them permission to use it. This amendment has been suggested and asked for by Rideau Hall for a number of years. My hon. friend does not like this restriction of the use of the word "royal", but the use of the word by everybody seems objectionable. We have the "royal" this and the "royal" that. We cannot go anywhere in this country without coming across the word "royal".

Mr. GARLAND (Bow River): What will the minister do about Royal Household Flour?

Mr. ARCHAMBAULT: May I suggest to the hon. member for Brome (Mr. McMaster) that the company he mentioned a moment ago will not fall under this clause because the last proviso of the clause reads:

Provided that this section shall not apply to any case in which the use of the word "royal" is authorized by or under the provisions of any statute of Canada.

I surmise that the company to which he refers has been authorized to use that word.

Mr. McMASTER: As I understand the matter, the Royal Trust Company got their charter in Quebec, that is under a statute of a province of Canada. I doubt whether that is a statute of Canada. Although I have no desire to see the name "royal" more widely spread than it is now, I think this proposal puts a punishment altogether unfitting for the crime upon the man who has been accustomed to use the word "royal" perhaps more promiscuously than it should be used. It is absurd that people should be branded as criminals because they use the word "royal" which is used more or less to denote excellence. For instance, a man may be looked upon as a royal sort of fellow, meaning that he is of a kingly disposition. I really think that the Minister of Justice would be well advised to use his ordinary discretion and kindness of heart, and not to ask this House to pass such legislation as this. It seems to me it is going altogether beyond what should be done. It seems to me that if the use of the word "royal" is unpleasant to those who are kings or the representative of kings, that might be

disseminated quietly throughout the country before it should be made a criminal offence. Why, we have incorporated companies in the different provinces of Canada with the name "royal" appertaining to their title. We have seen all sorts of ordinary articles of everyday use denominated "royal", and to ask us at this time in the world's history to say that that is a crime and that the man shall be liable to be dragged before the criminal courts and fined $200 for this proposed impropriety does seem to me to be going very far, and I trust the minister will not feel it necessary to place faithful followers and strong and affectionate admirers in the position of having to vote against him.

Mr. LAPOINTE: There are certain objections to the use of the word "royal" in every way and for all sorts of purposes. I know there is a way to obtain permission to use it. The appeal of my hon. friend however, is so strong that I would ask that this clause stand for further consideration.

Mr. MEIGHEN: I have no particular objection to the clause standing, although I do not want it to do so without saying a word in regard to it. I do not know that the section is perfect as it reads, but I have a lot of sympathy with the minister in the object he has in mind here, and I would be sorry to see the section deleted too carelessly by this committee. It may not be altogether popular, but I think there is a great object to be served by maintaining that respect for the Royal family that can only be maintained if the term is restricted, as it ought to be restricted, in this country as in every other part of His Majesty's dominions. I do not say that we ought to restrict the use of the term to cases only where the consent of His Majesty is obtained and the consent of the parliament of Canada obtained. The minister might possibly consider including also the legislature of any province. But surely we do owe it to the word and to the family that everybody be not permitted promiscuously to attach to every piece of soap or tube of tooth paste or any other old thing a term such as this. We have not got to quite the stage where we must do these things in the name of democracy. I really would like to see the section changed, if it is necessary to change it, to make it appeal to this House, so that there would be no serious objection to it by anybody, and then see the section passed.

Mr. GARLAND (Bow River): Like the right hon. gentleman who has just spoken, I have no objection to this section standing for some correction, but I disagree entirely with the greater part of his remarks. I think if there is one thing that has endeared the Royal family to the people of this country and other countries, it has been the democratic character of that family and the freedom with which they have permitted the use of the word "royal." I think it would be a serious blow if we are going to separate the family from the rest of the people by a boundary line marked "royal." I feel keenly with the hon. member for Brome (Mr. McMaster) in this matter. I would suggest to the minister, if he is going to proceed as far as the right hon. leader of the opposition would lead him to, we should see to it that the sturgeon does not use the word "royal" in front of his name. That would be just about as ridiculous as to say a company shall not use the word "royal" in their advertisements or for the names of their products. I think the minister has in mind something that possibly does need correction, and that is the use of the term "purveyors to His Majesty" or "the Royal family, by special appointment." Where that is improperly used I think the minister would be justified in providing for the correction of the offender.

Mr. McMASTER: Because it is deception.

Mr. GARLAND (Bow River): Yes, but in these other cases to prohibit the use of the word "royal" I think is perfectly ridiculous.

Mr. WOODSWORTH: The right hon. leader of the opposition suggests that we ought to maintain respect for royalty. Does he think we shall encouarge respect for royalty by fining a man $200 for using this term? It seems ridiculous to suggest that we are going to inculcate respect for royalty by means of fines and imprisonment. Further than that, it is suggested here that there should be certain exemptions, that companies already authorized by statute to use the word should be exempted. Does that mean then that we are going to leave the Royal Bank standing with a special monopoly of this name, and make the rest of the people liable to a fine of $200 and imprisonment if they use the word? If this passes in this form, every institution ought to be placed exactly on the same basis. Let no institution, the Royal Bank or any other, be allowed any special privilege along this line.

Mr. BROWN: Before the minister reintroduces this section I hope he will keep in mind the hon. member for Portage la Prairie (Mr. Leader). He is a raiser of live stock, and we know it is quite the custom to call live stock after members of the Royal family and

members of the aristocracy. Perhaps it might be well to consider whether that practice should be allowed in the future.

Mr. GOOD: I want to remind the minister of the difficulty into which he and we all would get if this were carried out. For instance, Royal yeast cakes have been known by that name I think as long as I can remember. The name would have to be changed, and I am afraid that in spite of the change a good many people would persist in asking for Royal yeast cakes.

Mr. STEWART (Leeds): That name would not have to be changed because it is authorized under charter.

Section stands.

On section 12—Breaking school-house, shop, warehouse, office, theatre, factory, railway station, etc., and committing indictable offence.

Mr. CAMPBELL: Why is it necessary to have a special penalty for theft from the government? Is it a greater crime to steal from the government than from a private individual?

Mr. LAPOINTE: This is to put government buildings in the same class with ordinary dwelling houses.

Mr. CAMPBELL: Are they not so now?

Mr. LAPOINTE: No. This makes it an offence to break into a school-house, shed, railway station, and so forth, and commit there an indictable offence. These conditions have all been suggested by the prosecuting authorities in the various provinces, and especially by the railway authorities. There was nothing to cover the case of the railway shed, freight car, and so forth, and it is certainly just as much burglary to enter these buildings and commit the offence there as it is to break into a private dwelling.

Mr. CAMPBELL: Is it not possible we might be carrying this a little too far? The average country school-house is often carelessly left open, and just for a prank a few boys might go in and steal some little thing.

Mr. LAPOINTE: They are not to commit an indictable offence after they have entered the school-house.

Mr. SHAW: Why does this include freight car, passenger coach or other railway car? My recollection is that the Railway Act already covers that.

[Mr. Brown.]

Mr. LAPOINTE: No, it does not. This is asked for by the railway authorities.

Mr. WOODSWORTH: Is this to apply simply to the Canadian National railways?

Mr. LAPOINTE: To all railway companies.

Mr. WOODSWORTH: Why should the railway companies be singled out? They are not public property in that sense.

Mr. LAPOINTE: It is not a question of public property. It is a question of a dwelling, shed, or any other public building into which a man breaks and commits there an indictable offence.

Section agreed to.

On section 13—Counterfeit stamp.

Mr. MEIGHEN: What is the reason for that?

Mr. LAPOINTE: The purpose is to make it an offence to have forged revenue stamps in one's possession. The traffic in revenue stamps has become very extensive, and forged excise labels and so on are being printed in large quantities for use by bootleggers and moonshiners. Under the present law it is necessary to prove that the man sells or uses such counterfeit stamps, and in many cases it is very difficult to do so.

Mr. GOOD: Suppose a man secures some of these stamps without knowing they are forged?

Mr. LAPOINTE: But we say "knowingly".

Section agreed to.

On section 14—Counterfeit money and instruments to be sent to Minister of Finance.

Mr. MEIGHEN: How does this enable the Minister of Finance to exercise control? Has section 568A any relation to some other sections, which relation we must understand to get the whole effect of this addition?

Mr. STEWART (Leeds): Will the minister read section 568?

Mr. LAPOINTE: Sections 550 to 568 deal with offences of this nature.

Mr. STEWART (Leeds): What would be done now with implements of this character on conviction of the accused?

Mr. MEIGHEN: I think they would be forfeited now.

Mr. LAPOINTE: No, section 568 merely refers to punishment and conviction.

Mr. MEIGHEN: This section does not read to me like a criminal code section, each of which constitutes an offence. This is independent and separate from all others, but it does not constitute any offence at all.

Mr. LAPOINTE: Simply because all the preceding sections constitute the offence. After the man is convicted this section 568A disposes of his counterfeiting instruments.

Mr. MEIGHEN: It does not strike me as being properly done. It frequently occurs in a criminal code section that a certain act is declared to be a crime, and that the person on conviction shall suffer so and so, and it usually adds that his property shall be forfeited; that is declared as a part of the punishment. Here nothing is made an offence at all, but the section goes on to declare that a certain party shall own the goods,—something which is outside our jurisdiction. It is a very peculiar section and I do not like to be too dogmatic about it, but it does not strike me as being right.

Mr. LAPOINTE: My right hon. friend is quite correct; but the preceding sections make it an offence to have such instruments, the penalties are provided therein, and this section merely provides for the disposition of the counterfeiting instruments.

Mr. McMASTER: Is this not what you might call an administrative provision, just as goods taken under a search warrant are kept under the control of the high constable or some such officer? These goods when seized in the possession of those who should not have had them are sent to the Minister of Finance to be destroyed or disposed of. Like the leader of the opposition, I do not want to speak dogmatically about it, for dogmatism is foreign to my nature, but it seems to me there are many provisions of the criminal code dealing with counterfeiting, and this section merely provides for the disposal of the dies which have been used by the counterfeiter.

Mr. MEIGHEN: Anything that this parliament declares of that character can be declared only by way of punishment. Consequently it must appertain to a certain offence in the code itself. This section of itself appertains to no special offence, and consequently I do not think it is within our jurisdiction to pass it.

Mr. GRAHAM: Would not the punishment be in the forfeiture, not in the disposition of the counterfeiting instruments?

Mr. MEIGHEN: Punishment for what?

Mr. LAPOINTE: Counterfeiting money.

Mr. MEIGHEN: There is just my point. If this was a sub-section and said that in addition to the punishment hereinbefore provided the counterfeit coin and instruments shall be forfeited and transmitted to the Minister of Finance, very good, that is all right. We know then what it is a punishment for. But there is nothing to show that it is a punishment for anything. It just stands out here by itself, and declares that counterfeit money or coin and tokens of value, and instruments or materials of any kind used or intended to be used for the making of counterfeit money or coin or tokens of value, shall belong to His Majesty, while the fact is they belong to somebody else. There is nothing declaring them to be forfeited. It does not matter to me, but watch for some difficulty and some legal expense if this section passes in its present form.

Mr. LAPOINTE: My right hon. friend might be right if there was only one section dealing with counterfeit money, but there are at least ten of them. There is section 553, dealing with buying, selling or trading in counterfeit gold or silver coin; 554, manufacturing or importing copper coin; 555, exportation of counterfeit coin; 556, making or possessing instruments for coinage; 557, conveying instruments for coinage, and so on until we reach 568, the last section of the chapter; and 568A applies to all of them. The amendment provides that counterfeit money and instruments used for making it shall belong to His Majesty and shall be sent forthwith to the Minister of Finance to be disposed of as he may direct.

Mr. McMASTER: May I point out that under section 556 it is provided that the mere having in one's possession of any press for coinage or any cutting machine is in itself a crime.

Mr. MEIGHEN: Perfectly right.

Mr. McMASTER: That being so, is it not proper to provide that such illegal things should belong to the minister?

Mr. MEIGHEN: I do not deny that, but the hon. member has not got my point; I think the minister has. It is quite right so to provide, and I do not object to that, but I want it fixed as a punishment to make it intra vires. I suggest that it read, "upon conviction under sections"—listing the sections the minister has named—"the counterfeit money shall" and so on. That is all I want.

Mr. McMASTER: Would not the difficulty be met if some such words were inserted prior to the section?

Mr. LAPOINTE: I do not know that it would. Suppose a man is arrested and the machinery or instruments are seized, and there is no conviction. Is it not essential that these instruments, the purpose of which is manifestly the manufacture of false money, should be sent to the Minister of Finance.

Mr. MEIGHEN: That might be important, but I do not think we can take a person's property who is not convicted of any crime and declare that it belongs to us.

Mr. LAPOINTE: Even if it is apparent that the property can only be used for an illegal purpose, namely, the making of false money?

Mr. MEIGHEN: Very good; if you can show that the accused is convicted.

Mr. LAPOINTE: Not necessarily. He may prove an alibi or be acquitted by a jury.

Mr. MEIGHEN: We will assume that the property can only be used for an illegal purpose, and it is in my possession. I have been proved innocent; I have no illegal purpose whatever and cannot be convicted of any crime. Does the minister say that
11 p.m. this parliament has power to say that that property shall be taken from me and given to the crown?

Mr. LAPOINTE: You have no right to have it in your possession.

Mr. MEIGHEN: Then if I have not the right I am convicted under the code.

Mr. LAPOINTE: Suppose you are not?

Mr. MEIGHEN: In a word, our jurisdiction arises simply because we have power to punish, and it must be a part of the punishment.

Mr. BROWN: Might it not be the case that the ownership of a property would not be clearly established and the crown would have the right to seize it under any circumstances.

Mr. MEIGHEN: The crown has no right to seize property simply because its ownership is not established.

Mr. BROWN: Even if it is manifestly used only for illegal purposes?

Mr. ARCHAMBAULT: Even if the crown proved conclusively that the accused was in possession of these instruments, he might be acquitted by the jury.

[Mr. Meighen.]

Mr. MEIGHEN: Then you cannot take his property. How can we punish when there is no offence?

Mr. LAPOINTE: We may not punish the man, but we will take the instruments that he has in his possession for the making of counterfeit money.

Mr. MEIGHEN: Except by way of punishment, we cannot take them.

Mr. ARCHAMBAULT: Does my hon. friend not think it is in the interests of the country that these instruments should be destroyed in order that nobody else can use them?

Mr. MEIGHEN: I certainly do.

Mr. GARLAND (Bow River): The question arises of making it an indictable offence to have in possession instruments for the raising of the value of pieces of paper by impressing upon them something which declares they have a certain purchasing power. Would the minister not be willing to include in this section something that would protect the general public from those who to-day can raise or depress the value of the purchasing power which is in common circulation?

Mr. LAPOINTE: I am afraid it is too large a proposition.

Mr. GARLAND (Bow River): It is just as illogical.

Mr. JACOBS: The king can do no wrong.

Mr. GARLAND (Bow River): But these are the banks, not the kings.

Mr. GOOD: The point raised by the hon. member for Bow River (Mr. Garland) is a really important one. It cannot be dealt with remedially by this clause, but it is vastly more important and does vastly more damage than even the counterfeiting we now have.

Section agreed to.

Sections 15 and 16 agreed to.

On section 17—Weapon not a pistol, rifle or shot-gun to be impounded and destroyed.

Mr. GARLAND (Bow River): I am just wondering what the city of Montreal is going to do with all the weapons.

Mr. ARCHAMBAULT: They all come from the west.

Mr. SHAW: Has the minister canvassed fully the matter of protecting the public from the improper and illegitimate sale and use of fire-arms? I know there are constitutional difficulties, but I suggest that the matter should be gone into very thoroughly and if there is any way of limiting the use or preventing the sale of fire-arms except under proper circumstances, I think action should be taken in that direction.

Mr. LAPOINTE: I will make it my duty to consider the remarks of my hon. friend and if there is anything that can be done I suppose we will consider it next session.

Mr. GARLAND (Bow River): The minister might well consider also the fact that wherever any attempt has been made to curtail the purchase or possession of arms by individuals it is usually the unfortunate man who is a good citizen who is deprived of arms with which to defend himself from the criminal. The criminal rarely has any difficulty in securing them.

Mr. LAPOINTE: That is one of the considerations that has to be borne in mind when the matter is gone into.

Mr. MEIGHEN: I was speaking to the Clerk for a minute while section 15 was passed. If the minister explained it I am prepared to wait and look at Hansard. I would like to be clear why the legislation applies only to the province of Quebec.

Mr. LAPOINTE: Because it is the province of Quebec that has been asking for it. The explanation is set out quite fully on the opposite page of the bill, and I think my right hon. friend will find it convincing.

Mr. MEIGHEN: This does not apply to the other provinces?

Mr. LAPOINTE: No, it does not.

Mr. STEWART (Leeds): Could it not be enforced by provincial legislation as it is in the province of Ontario? In that province the clerk of the peace or the county attorney must send notification and the jury does not attend.

Mr. LAPOINTE: I do not see how that could be because even in criminal matters the procedures are within the federal jurisdiction.

Mr. MEIGHEN: I notice from some of the extracts read in the House and from newspaper clippings that this army of police who are now guarding the international boundary against the importation into the United States of Canadian citizens are using what they call sawed-off shot guns. I never heard of that before.

Mr. LAPOINTE: Are those the American officers?

Mr. MEIGHEN: Yes. They seem to have invented a new weapon. Would it come under this section?

Mr. JACOBS: It is proposed that this weapon shall be confiscated or turned over to the corporation, where it is shown that the weapon in question does not belong to the criminal who uses it?

Mr. LAPOINTE: Yes.

Mr. JACOBS: How can that be done legally?

Mr. LAPOINTE: That is done already as far as pistols are concerned. It is merely proposed to add rifles and shot guns to the provision. This change has been suggested by the Deputy Attorney General of Alberta, and perhaps I should read his letter:

Re. Criminal Code, Section 622

Sir:—Might I call your attention to the provisions of the above section, which require that the justice shall impound the weapon in respect of which the person is convicted, and if the weapon is not a pistol shall cause it to be destroyed.

In case the weapon in question is a rifle or shot gun, it seems to be rather unreasonable that the same should be destroyed, and I would suggest that the section should be amended to permit the disposal of the same for public purposes, by the corporation of the municipality, or by the government of the province, as the case may be.

I have the honour to be, Sir,
Your obedient servant,
R. ANDREW SMITH,
Deputy Attorney General.

I really thought there was no reason to make any distinction as between pistol and rifle.

Mr. JACOBS: Suppose the house of the Minister of Justice is burglarized, and his pistol is carried away by the criminal and subsequently taken from him. Surely the rightful owner can go before the court and claiming that his weapon was stolen, secure the return of it.

Mr. McMASTER: I would say, Mr. Chairman, that any man who is so careless as to allow his pistol to get into the hands of a person who would burglarize the house of the Minister of Justice deserves to have that pistol stolen.

Mr. GARLAND (Bow River): I do not think the hon. member for Brome is justified in passing so lightly over the case raised by the hon. member for George Etienne Cartier (Mr.

Jacobs). I would suggest that it is worthy of consideration at least. Suppose the house of the Minister of Justice is burglarized and the revolver stolen and used in some criminal act. Then the offender is found guilty and the revolver is given to the authorities of the city of Montreal

Mr. LAPOINTE: It would be destroyed under the law as it is now.

Mr. JACOBS: It should not be; that is confiscation.

Mr. GARLAND (Bow River): It should be turned over to the owner.

Mr. LAPOINTE: Under the law as it is in such a case as that submitted by my hon. friend I think I could get my revolver back.

Mr. JACOBS: Not under the act as it is now.

Mr. LAPOINTE: This is merely to add shot guns and rifles to the section, which applies to pistols. Under the section as it is the weapon is destroyed.

Mr. JACOBS: Does the Minister of Justice think that is justice?

Mr. LAPOINTE: I would rather see my weapon in the hands of the corporation than be destroyed.

Mr. JACOBS: Would not the minister prefer to have it back in his own possession?

Mr. STEWART (Leeds): Would not the minister on applying to the corporation and proving that it was his property get an order for the return of the weapon?

Mr. JACOBS: Not at all because the property is now vested in the corporation.

Mr. STEVENS: That is the law at present.

Mr. LAPOINTE: Obviously this refers to the weapon belonging to the accused.

Mr. GARLAND (Bow River): It does not say so. Just one question more. Is it not true that there is a section in the code which protects the man from whom the property is stolen? Is it not true that under another section a revolver, or other property, can be restored to the person from whom it was stolen?

Mr. LAPOINTE: I think it is.

Mr. JACOBS: Then this should be struck out.

Mr. LAPOINTE: This is to cover the case of a revolver belonging to the accused.

Mr. JACOBS: Then why not say so.

[Mr. E. J. Garland.]

Mr. GARLAND (Bow River): The section should be clearer.

Section agreed to.

On section 18—Search in gaming houses.

Mr. LAPOINTE: The explanation of this change appears on the following page of the bill.

Mr. STEVENS: Is not this matter thoroughly covered in the Opium and Narcotic Drug Act?

Mr. LAPOINTE: Yes, it is covered in the Opium and Narcotic Drug Act.

Mr. McMASTER: May I not draw attention, because this is the proper time to do so, to the smallness of the print in which these references and memoranda are printed. I have often in this House urged that hon. gentlemen should speak louder so that they could be heard. I now urge upon the government to have these explanations of bills printed in larger type so that they can be more easily read.

The CHAIRMAN: To do as my hon. friend suggests would involve using more space and the columns of type would have to be narrower.

Section agreed to.

On section 19—Proceedings upon warrant, to enforce attendance of prisoners confined in another province.

Mr. JACOBS: Would the minister explain this change?

Mr. LAPOINTE: The explanation already appears in the bill. It is as follows:

There is no provision in the Criminal Code for the trial of a criminal charged in one province when the accused is imprisoned in another province. If, for example, a man serving a long sentence in one province were wanted in another for murder, there is no statutory method of enforcing his attendance for trial. The purpose of this amendment is to provide suitable machinery for dealing with such cases.

Mr. MEIGHEN: I think this provision should be read.

Mr. LAPOINTE: It reads as follows:

(5) If the person against whom such warrant is issued is then confined for some other cause in any prison within another province then, upon application to the judge of any superior, county or district court having jurisdiction in the place where the prisoner is confined, and upon production to him of the warrant with an affidavit setting forth the facts, such judge, if satisfied that the ends of justice require it, may, by order in writing addressed to the warden or keeper of such prison, or to the sheriff or other person having the custody of the prisoner, direct him to bring up the body of such person before the justice who is holding

the preliminary inquiry from day to day as may be necessary for the purposes of such inquiry, and at the place and within the province wherein the warrant was issued, and such warden, keeper, sheriff or other person upon being paid his reasonable charges in that behalf shall obey the order: provided that no such order shall be granted unless notice of the application therefor shall have been served upon the attorney general of the province in which the prisoner is confined within a reasonable time before the making of the application.

This covers certainly what is needed at the present time.

Mr. MEIGHEN: Why would the warden have any charges to make for releasing the prisoner?

Mr. LAPOINTE: He would have to go himself, or send some other person, with the prisoner.

Mr. MEIGHEN: I thought that duty would be upon the authorities who were getting the prisoner. According to the minister's statement the prisoner will always remain in the custody of the authorities in the place where he is confined.

Mr. LAPOINTE: Yes.

Mr. MEIGHEN: He never leaves that custody?

Mr. LAPOINTE: No, but the warden or sheriff who has the prisoner under his custody shall request to be paid his reasonable charges before he obeys the order. They will have to be paid by the province which wants the prisoner for trial.

Mr. McMASTER: Suppose a man is confined in St. Vincent de Paul and is wanted for an offence committed in Toronto. The Ontario justice will demand his presence. The warden of St. Vincent de Paul will send somebody with him to Toronto, and before handing him over will get his expenses for taking the man from Montreal to Toronto, and I presume get his expenses back again.

Mr. LAPOINTE: Yes.

Mr. JACOBS: What becomes of the prisoner after his trial, say, in Toronto? Will he be held in Toronto or returned to St. Vincent de Paul?

Mr. LAPOINTE: I presume he will be kept there to finish his sentence and then go to the other province.

Mr. MEIGHEN: The point raised is an important one. It would be better for the province that wants him to go for him and get him; so that all the warden would have to do would be to deliver him, and the province would be responsible for his custody from beginning to end. That is a detail. But surely it is of importance to see what is to be done with him in the future. He is handed over to another province to stand his trial. The judge orders that the prisoner be taken to court in another province and there await the result of his trial. Suppose he is sentenced in that other province for a certain period dating from the present time. I do not suppose the judge would sentence him in that way. He would make his sentence run from the date of his release from the sentence he was serving. It seems to me there should be a provision in the code to say that any sentence must date from the time of his release.

Mr. LAPOINTE: I see the importance of the point raised by the hon. member for George Etienne Cartier (Mr. Jacobs). I will ask that that section stand for further consideration.

Mr. McMASTER: This section seems merely to apply to the preliminary investigations.

Section stands.

On section 20—Notice of appeal.

Mr. LAPOINTE: This amendment is merely to correct a clerical error.

Mr. SHAW: I suggest to the minister that there should be no necessity imposed upon a prisoner to apply to a district court judge within the additional twenty days. I think if he were given thirty days within which to serve the respondent and file his notice of appeal it would not be unreasonable. The situation is that the appeal being a statutory remedy, must be strictly complied with, otherwise the appellant is entirely out of court if he fails to serve the respondent as required or to file his appeal within the time limited, ten days, or within the further time the judge may allow him. Why not give him thirty days within which to serve the respondent and file notice of appeal?

Mr. LAPOINTE: Does my hon. friend suggest thirty days instead of twenty days in the third last line?

Mr. SHAW: No. My idea is simply to make the suggestion that the service and filing shall be within thirty days of the making of the conviction or the order complained of, and leaving out entirely the application to a judge for an extension with the ten days.

Mr. LAPOINTE: That would be quite a change and I am not prepared to accept it

without considering its effect on the succeeding and preceding sections.

Mr. SHAW: The reason for that suggestion is this: At the present time the appellant must serve respondent and file his notice of appeal within ten days, unless he secures leave from the judge to have an extension for a further period of twenty days. The extended time will readily be granted, by the district judge; but instead of putting him to the expense of making an application to a judge why not give him thirty days within which to serve notice and file the appeal?

Mr. ARCHAMBAULT: The extension is not always given by the district court judge.

Mr. SHAW: Some time is generally given.

Mr. ARCHAMBAULT: In order to give the additional twenty days he requires to have some good reason. It would not be proper to grant thirty days without any reason whatever.

Section agreed to.

On section 21—Court may permit new and sufficient recognizances in place of insufficient, defective or invalid recognizances.

Mr. LAPOINTE: The explanation appears in the bill.

Mr. STEWART (Leeds): Would the minister explain the reason for this? Have they not always had that right?

Mr. LAPOINTE: No. Under the section as it stands to-day the appellant must put in recognizances within the time respectively mentioned that he will personally appear before the appellate court on the appeal, or that he will prosecute his appeal without delay as the case may be. If after the expiration of the time limited for entering into such recognizance it be discovered to have been insufficiently entered into, or to be otherwise defective or invalid, no provision exists for the substitution of good and sufficient recognizances.

Mr. ARCHAMBAULT: I think that is fair.

Mr. LAPOINTE: It is merely to right what appears to be a wrong.

Mr. STEWART (Leeds): In some cases where an appellant has found his recognizance before trial is imperfect, and has perfected it before the hearing, the judge has held that, as long as the recognizance before him is perfect the appeal is regular and he must hear it.

[Mr. Lapointe.]

Mr. LAPOINTE: Yes.

Mr. STEWART (Leeds): If that be the law at the present time, what is the need of this provision?

Mr. LAPOINTE: It is not the law at the present time. At present, the recognizance has to be perfect within the time mentioned in the section, and the judge has no power to order that the recognizance has to be made good according to the law. We give him that power under this section.

Mr. STEWART (Leeds): Is it necessary, as long as the judge finds a valid recognizance when he comes to hear the appeal, to give any permission at all?

Mr. LAPOINTE: He will not find it valid under the section as it stands.

Mr. STEWART (Leeds): He will find it valid if the appellant substitutes a valid recognizance for an invalid one.

Mr. LAPOINTE: He has to give a valid recognizance within a certain time, and if he has not done it the appeal must be dismissed. This is to give him a chance, if something is found to be wrong about his recognizance.

Section agreed to.

On section 22—Trial by jury in certain cases.

Mr. JACOBS: What is the effect of section 417 of the act?

Mr. LAPOINTE: This section has been suggested by the Attorney General of Quebec. Section 417 applies to a disposal of property, and reads:

> Every one is guilty of an indictable offence and liable to a fine of eight hundred dollars and to one year's imprisonment who,—
>
> (a) with intent to defraud his creditors, or any of them, (i) makes, or causes to be made any gift, conveyance, assignment, sale, transfer or delivery of his property; or (ii) removes, conceals or disposes of any of his property; or,
>
> (b) with the intent that any one shall so defraud his creditors, or any one of them, receives any such property; or,
>
> (c) being a trader and indebted to an amount exceeding one thousand dollars, is unable to pay his creditors in full and has not kept books of account as, according to the usual course of trade or business in which he may have been engaged, are necessary to exhibit or explain his transactions, unless he be able to account for his losses to the satisfaction of the court or judge and to show that the absence of such books was not intended to defraud his creditors, but no person shall be prosecuted under the provisions of this paragraph by reason only of his having failed to keep such books of account at a period of more than five years before the date of such inability to pay his creditors.

Mr. JACOBS: Those are offences against the Bankruptcy Act?

Mr. LAPOINTE: Yes.

Mr. JACOBS: As I understand the matter, by this clause it is proposed that the attorney general may require that the case be brought before a jury, and it takes away from the accused the option he has of being tried before a judge without a jury.

Mr. LAPOINTE: Yes. Under the law as it stands, as regards all offences which make an accused liable to imprisonment for five years, the attorney general has that right, and the Attorney General of Quebec suggested that this penalty be increased to five years in order that he might have that authority. But I really believe that the penalty as it is in the section is sufficient, and that we shall gain the same end by making an exception for that offence, giving the attorney general the authority for which he asks.

Mr. JACOBS: Is it not the tendency these days to have as many cases as possible tried by a judge without a jury because, as is generally known, it is a very expensive business to have trials by juries, and the accused in nine times out of ten elects to be tried by a judge without a jury? Why should he impose the extra cost upon the province?

Mr. ARCHAMBAULT: In the interest of justice it is as well for the accused as for the crown.

Mr. JACOBS: But the accused ought to be able to elect. He ought to have the option.

Mr. ARCHAMBAULT: The accused has not that right when the punishment is over five years.

Mr. JACOBS: But under this new amendment it is proposed that although the punishment is only one year, the right to be tried before a judge without a jury is taken away.

Mr. ARCHAMBAULT: Will my hon. friend accept a change of the punishment from one year to five years?

Mr. LAPOINTE: That is what was suggested, but I thought the punishment would be too heavy although the offence is a very serious one and it is important to check it.

Mr. ARCHAMBAULT: A penalty of one year is very small.

Mr. JACOBS: This is not a question of the penalty, but of the manner of trial. The judge who is seized of the case can impose the same penalty as a judge who sits with a jury. It seems to me that where we can save time and cost by going before a judge without a jury, we should do so and not impose upon the province the extra cost of having a trial by jury.

Mr. LAPOINTE: I do not think the argument is very strong when it is the province itself that is asking for the opportunity to make the expenditure.

Mr. JACOBS: The province is not asking for it. It is the attorney general that is asking for it, and the province is going to pay for it. In serious cases where punishment is five years or over, then the attorney general would have the right to declare that the party must come before a jury. But where the penalty is under five years, the common law, if I may so term it, declares that the accused may elect, and by this amendment the attorney general can step in and take away from the accused the option so that he has to be tried by his peers if they can be found.

Mr. ARCHAMBAULT: Has my hon. friend read section 417?

Mr. JACOBS: No.

Mr. STEWART (Leeds): Does this not look like a step towards restricting the liberty of the subject? Under the law as it is at present, he has his choice. Why should he not have his choice? Why should the attorney general in any case, even as regards offences liable to a five-year penalty, have the right to insist that the accused must be tried by a jury? If that right exists at the present time, why should it be extended to this class of cases? Who is asking for it?

Mr. LAPOINTE: The Attorney General of Quebec, on account of the multiplicity of those cases during recent years. It is felt that the offence is so frequent and serious that the prosecuting authorities should have the right to have the trial before the high judge. As regards the restriction of the liberty of the subject, that is what we are doing all the time under the Criminal Code. When the offence is liable to a penalty of five years' imprisonment, the attorney general has that right. He will have that right for these offences under section 417 owing to their character and seriousness. I do not think this is unduly limiting the liberty of the criminal.

Mr. JACOBS: The accused. There is a difference.

Mr. STEWART (Leeds): I gather from what the minister says that this offence is very common and is probably growing in frequency. Does he think it is more likely that a conviction will be secured from a jury than from a judge? Cannot these cases be as well tried by a judge as by a jury?

Mr. LAPOINTE: Maybe, but my hon. friend will understand that those are questions of procedure to a large extent. The experience of the prosecuting authorities in the various provinces must be heard and considered when amendments are being made to the Criminal Code. That is what I have done as regards various amendments which are included in this bill. They are based upon the practical experience of prosecutors, those who are responsible for the administration of criminal justice in the various provinces.

Mr. STEWART (Leeds): I understand that this recommendation comes only from one province. How is it that the experience in that province differs from the experience in others?

Mr. LAPOINTE: I do not think any other province would object to it.

Mr. STEVENS: I want to protest not on behalf of the prosecuting attorney, but on behalf of the common people, ordinary individuals who are unfortunate enough to become bankrupt, that they should not be deprived of the right of election whether they should be tried by a jury or a judge. I apply to this the same argument as I applied to a clause earlier in the bill. It is a well known and ancient right that an individual can go before a court and elect how he shall be tried. I submit to the Minister of Justice that he should not look too much to the convenience of prosecuting attorneys. I have a great deal of sympathy for the difficulties which they must experience in conducting trials, but nevertheless the rights of individuals who are accused must be considered. I would ask the minister to drop this clause.

Mr. ARCHAMBAULT: The general principle was adopted in 1909 regarding the option of the attorney general to have a trial before a jury.

Mr. STEVENS: My hon. friend is not enlightening me one particle in that regard, but it does not apply to the bankruptcy law which is more or less a civil law.

Mr. ARCHAMBAULT: Not in this case.

[Mr. Jacobs.]

Mr. STEVENS: I quite appreciate that woven all through the Bankruptcy Act there may be criminal offences or offences that may be classified as criminal, but the bankruptcy law is, in its general operation, a civil law.

Mr. ARCHAMBAULT: I am glad to have this admission from my hon. friend because, when there was a question of bringing up the bankruptcy law in this House, I objected to it because I said that it was a civil law. My hon. friend now says that it is a civil law. At the time the Solicitor General who put the bill through said that it was not a civil law; that it was within the province of the federal authorities.

Mr. STEVENS: I say that in its essence it deals with civil more than with criminal matters.

Mr. ARCHAMBAULT: But there may be offences of a criminal nature.

Mr. STEVENS: Undoubtedly.

Mr. ARCHAMBAULT: There are quite a number of these cases in Quebec and in other provinces and they are very serious.

Mr. STEVENS: Why cannot a judge take a case as well as a jury?

Mr. ARCHAMBAULT: In my opinion the punishment should be extended to five years.

Mr. STEVENS: You are not dealing with punishment. You are taking away from the man the right he has to say whether he shall be tried by judge or jury.

Mr. MEIGHEN: Can the minister give us any explanation of why these bankruptcy cases are getting so much more frequent?

Mr. LAPOINTE: I do not know, but what I will do is to ask that the clause stand, and I will communicate with the provincial authorities who have applied for this, and ask if they have other arguments.

Section stands.

On section 23—Prosecuting officer prefers charge.

Mr. JACOBS: Will the minister explain this?

Mr. LAPOINTE: My hon. friend will see the explanation in the margin. It is to enable any charge founded on the facts or evidence disclosed in the depositions to be preferred when the accused is tried before a judge as well as when he is tried before a jury. Under

the law as it is, this change can be made only on a jury trial. This has been suggested by the province of Alberta. My hon. friend from West Calgary (Mr. Shaw) has communicated to the department several letters from lawyers in his province suggesting this change.

Mr. MEIGHEN: The minister says that heretofore the indictment could be cured in jury cases, but not in cases that did not come within the purview of a jury?

Mr. LAPOINTE: Exactly.

Mr. MEIGHEN: That is since my time.

Mr. JACOBS: Is it not a fact that when the judge sits in speedy trial courts he sits as judge and jury?

Mr. LAPOINTE: That is the purpose of the amendment. The present amendment will make the practice under section 827 where the prisoner is tried by a judge without a jury similar to that which is provided by section 872 in cases of trial by jury.

Mr. MEIGHEN: That explanation is not here.

Mr. LAPOINTE: This is necessary, because it has been found in Alberta that it has been denied by the judge.

Mr. SHAW: The minister is right. Section 872 of the code provides that on the trial by indictment the officer prosecuting has a right to lay not only the charge upon which the accused has been committed, but also any other charges which the deposition may warrant. Now under the speedy trial section of the code he is not in a position to do that. He is not in a position to lay any charge other than that for which the accused was committed. This gives power to the prosecuting officer to lay any charges disclosed by the deposition.

Section agreed to.

On section 24—Amendment of defective indictment.

Mr. LAPOINTE: This explains itself. It is a section which is in the Imperial Act, 1915. Its purpose is to prevent any miscarriage of justice which might occur owing to the defective nature of the indictment as originally presented and the failure of the prosecuting authorities to apply for the necessary amendment. This gives to the court before trial or at any stage of a trial, when it appears the indictment is defective, power to make such order for the amendment of the indictment, as the court thinks necessary to meet the circumstances of the case, unless, having regard to the merits of the case, the required amendments cannot be made without injustice, and the court may make such order as to the payment of any costs incurred owing to the necessity for amendment as the court thinks fit.

Mr. JACOBS: I always thought that was the law.

Mr. LAPOINTE: No, it is not.

Section agreed to.

On section 25—Juries in Quebec.

Mr. JACOBS: This is somewhat important. Perhaps the minister would explain.

Mr. LAPOINTE: The present section 923 reads as follows:

> In those districts in the province of Quebec in which the sheriff is required by law to return a panel of petit jurors composed, one-half of persons speaking the English language, and one-half of persons speaking the French language, he shall in his return specify separately those jurors whom he returns as speaking the English language, and those whom he returns as speaking the French language, respectively; and the names of the jurors so summoned shall be called alternately from such lists.

This new section provides that, in any district, the prisoner may upon arraignment move that he be tried by a jury entirely composed of persons speaking the English language, or entirely composed of jurors speaking the French language, and that upon such motion the judge may order the sheriff to summon a sufficient panel of jurors speaking the English or the French language, unless in his discretion it appears that the ends of justice are better served by impaneling a mixed jury. This is suggested and asked for by the provincial authorities at Quebec.

Mr. JACOBS: Is not that the practice now?

Mr. LAPOINTE: It is the practice, but now we have to arrange it while the trial is going on. Now it will be the law.

Section agreed to.

On section 26—Evidence of disorderly house.

Mr. LAPOINTE: The same applies here as to the other section I mentioned. This amendment should have been passed in 1923. It is covered by the Opium and Narcotic Drug Act.

Mr. STEWART (Leeds): Do I understand the minister to say that similar provisions to this are to be found in the Narcotic Drug Act?

Mr. LAPOINTE: Yes, and all these sections in the Criminal Code were repealed except this one and the other I referred to.

Section agreed to.

On section 27—Evidence may be taken out of Canada under commission.

Mr. JACOBS: What is Part XVI of the act referred to in the amendment?

Mr. LAPOINTE: Part XVI refers to summary conviction, and Part XVIII to speedy trials on indictable offences. This is to give to the magistrate the right to appoint a commission instead of going to the Superior Court judge to do it.

Mr. STEWART (Leeds): Would the minister say whether this contemplates the appointment of a commissioner in a foreign country or a commissioner here to go and take evidence in the foreign country?

Mr. LAPOINTE: A commissioner in the foreign country.

Section agreed to.

On section 28—Corroboration necessary in certain cases.

Mr. LAPOINTE: This amendment should have been made before when the act was amended. It is to require corroboration for offences against girls under fourteen.

Mr. SHAW: I would ask the minister if there are any other crimes to which that corroboration section has been extended.

Mr. LAPOINTE: No, I think they are all mentioned in the section.

Mr. ARCHAMBAULT: Section 301.

Mr. LAPOINTE: They are treason, perjury, offences under Part V, sections 211 to 220 inclusive, offences under Part VI, sections 301 and 309, and forgery.

Mr. STEWART (Leeds): Which ones of these are new?

Mr. LAPOINTE: Only section 301.

Mr. STEWART (Leeds): What is that?

Mr LAPOINTE: Section 301 is carnally knowing a girl under sixteen—

Mr. ARCHAMBAULT: Under fourteen, I think.

Mr. LAPOINTE: One of the two sections refers to girls under 14, and the other to girls under 16. This will require corroboration in all these offences. In other words nobody will be convicted on the uncorroborated evidence of the girls.

[Mr. H. A. Stewart.]

Mr. STEWART (Leeds): And over sixteen years of age there is a special provision already that if the judge is of opinion that the accused is not altogether to blame the jury may acquit him.

Mr. LAPOINTE: Yes.

Section agreed to.

On section 29—Attorney General to have right of appeal where question of law alone involved.

Mr. LAPOINTE: When amendments were made to the criminal code two years ago giving the right of appeal in criminal cases to the accused through a mistake that right was taken away from the crown.

Mr. SPEAKMAN: Has the minister given further consideration to the question of procedure in the case of appeal by a convicted criminal? The question came up in connection with the Hanson case on which I had some conversation with the minister, and he assured me that it would be considered very carefully in conjunction with the general amendments to the criminal code to be brought down this session. It is still a matter of a good deal of interest in my part of the country.

Mr. LAPOINTE: I am aware of the case to which my hon. friend alludes, and I remember also that the population in that district, which is in my hon. friend's constituency, was quite aroused as the result of the judgment of the appeal court.

Mr. ARCHAMBAULT: Why?

Mr. LAPOINTE: The verdict was changed by the majority of the court, and the sentence was reduced to five years in jail.

Mr. ARCHAMBAULT: Were they not satisfied with that?

Mr. LAPOINTE: The population was not satisfied, and my hon. friend even now is not satisfied with what happened at that time. There are many who are not favourable to the system of appeal in criminal cases. It was introduced for the first time two years ago by a bill which passed the Senate and subsequently was accepted by this House. The Senate was strongly in favour of the new law, and whatever may be our own opinion, I think it would be difficult to repeal the amendment until experience shows that it does not work in the public interest. I admit that the case referred to was an extraordinary one, but we have no recourse whatever under the law as long as this right of appeal is permitted.

Mr. SPEAKMAN: The minister is hardly correct in implying that I am in favour of the repeal of that amendment.

Mr. LAPOINTE: No.

Mr. SPEAKMAN: I am not suggesting that the judgment of the appeal court was unsound. I was not sufficiently conversant with the circumstances to form such an opinion, although that opinion was formed in the district in which the trial took place. There was some question of the manner of taking new evidence.

Mr. LAPOINTE: Was new evidence brought before the appeal court?

Mr. SPEAKMAN: No. Objection was taken to the acceptance of a statement by counsel for the appellant that there was new evidence without such new evidence being brought forward. The objection was rather to the procedure involved in the trial than to the amendment itself. I think the minister agreed with me at the time, although of course he could not commit himself to what would be done, that some restriction might be placed upon the appeal court in regard to the manner of accepting new evidence, or whether a new tiral of such cases should not be ordered instead of the trial judgment being reversed. I understand that the minister discussed the point with various judges as to whether some procedure might be laid down under which such appeals would be heard, and I was wondering whether he had come to any conclusion with respect to it.

Mr. LAPOINTE: My hon. friend may be assured that we will further consider what he has said.

Mr. SHAW: I recall the particular case to which the hon. member for Red Deer (Mr. Speakman) refers. Counsel for appellant, undoubtedly one of the most distinguished counsel of Alberta, made some statement before the appeal court, and quite properly the court accepted his statement. I think under the circumstances they were perfectly justified in doing so.

Mr. STEWART (Leeds): Do I understand the Minister of Justice to say that under the amendments of two years ago the crown have no right of appeal on the facts?

Mr. LAPOINTE: Yes.

Mr. STEWART (Leeds): I thought the right was wide open.

Section agreed to.

On section 30—Seduction.

Mr. LAPOINTE: This is merely an amendment for the purpose of bringing the language of paragraph 5 into line with section 211.

Section agreed to.

Section 31 agreed to.

Mr. ARCHAMBAULT: What sections are standing?

The CHAIRMAN: Sections 5, 8, 11, 19, 22.

Mr. LAPOINTE: I have three amendments to offer, Mr. Chairman, the first two of which will follow section 8. The first will be as follows:

347B. Every one is guilty of an indictable offence and liable to a penalty not exceeding four thousand dollars and not less than five hundred dollars or to imprisonment for three years who renders a false or deceptive return with respect to the sale or other disposition of any goods, unless it be proved that there was no intent to deceive.

2. Every one is guilty of an indictable offence and liable to a penalty not exceeding four thousand dollars and not less than five hundred dollars or to imprisonment for three years who, being a director, shareholder, manager, officer or employee of any person who renders a false or deceptive return with respect to the sale or other disposition of any goods knowingly makes, permits, concurs in or condones the rendering of the said false or deceptive return.

This amendment is suggested by the Labour department and is the result of the investigation into an alleged combine which recently took place. It appears that companies acting as brokers for certain growers of fruit or other commodities sell these commodities at a certain price, furnish invoices for smaller amounts and pocket the difference. It is a theft, but it could not be reached under the law as it is. The Minister of Labour (Mr. Murdock) may be able to give some instances in that regard.

Mr. MURDOCK: In the report of the investigation that was made into an alleged combine in the distribution of fruit and vegetables in British Columbia and the western provinces will be found a number of illustrations of what is in mind. The most glaring instance, probably, is mentioned on page 29. The Mayne Island Nurseries forwarded to the Mutual brokers at Vancouver 65 crates of tomatoes, classified as 51 crates No. 1, 10 crates No. 2 and 4 crates No. 3. These were sold by Mutual brokers in Vancouver for these growers over on Vancouver island. They were sold at the following prices: No. 1, $4.50; No. 2, $4; No. 3, $3. When a return was made to the growers it was stated that the No. 1 tomatoes had been sold at $3, the No. 2 at $2.25 and the No. 3 at 75 cents.

These brokers charged the usual commission on the sale, at the rate of 5 per cent, making $8.92 for the 65 crates.

Mr. STEVENS: Is that not covered now in the Criminal Code?

Mr. MURDOCK: The Minister of Justice should answer that; I am told not. Perhaps I had better complete this statement. The commission charged was $8.92. The freight was $5.88 and the Hot House association's charge was 65 cents, a total of $15.45. In short, in addition to that $15.45 the brokers took $103 on 65 crates of tomatoes. Had that been done in the same town or within the same community it could have been regarded as theft, but here were these growers
12 m. of tomatoes over on Vancouver island shipping to brokers in Vancouver and expecting the broker to make a proper sale and a proper return. We have in our possession the original invoices showing exactly what happened. In this case $103 was improperly retained by the brokers. Theft, I call it, but I am told that the Criminal Code makes no provision for such a case. Some law should.

Mr. STEWART (Leeds): It looks like a clear case of theft, and the Criminal Code should be wide enough to cover it.

Mr. LAPOINTE: The trouble is that it is usually done by companies, not by a single individual. The code as it stands does not cover companies in such a case.

Mr. MURDOCK: The young lady who made out the return admitted that the figures were hers but did not know how she came to put them in that way. She had not benefited to the extent of one cent. The brokerage company had got the $103 in cash. That is only one striking illustration among many.

Mr. CAMPBELL: But will this completely obviate the difficulty? By the amendment you provide that where a company instead of an individual commits the offence it may be dealt with. Are you not liable even under this amendment, therefore, to have the same difficulty?

Mr. LAPOINTE: No; this amendment will cover the companies. It is drawn specially for that purpose.

Mr. CAMPBELL: Will that mean every officer of the company?

Mr. LAPOINTE: Every officer who has anything to do with the sending of the false return.

The CHAIRMAN: Shall this amendment carry? Carried.

Mr. LAPOINTE: I have another amendment—

Mr. MEIGHEN: I thought that section was to stand over?

The CHAIRMAN: The important section is standing over.

Mr. MEIGHEN: We should not carry the amendment; it should be recorded by way of notice. I understand the minister was only asking to give notice of the amendments. You cannot let the section stand and pass the amendment.

Mr. LAPOINTE: It is independent of the section.

Mr. MEIGHEN: If the section does not pass everything will be wrong.

Mr. LAPOINTE: It is another section.

Mr. MEIGHEN: I understood it was an amendment to section 8.

Mr. LAPOINTE: No, it is a new section that will come in between 8 and 9. Section 9 will become section 11, because I have two sections to insert there.

Mr. MEIGHEN: Would the minister not be better advised to file all his amendments, and then when we resume consideration of the sections that stand we can put them all through?

Mr. LAPOINTE: I have no special objection to that.

Mr. MEIGHEN: There should be notice.

Mr. LAPOINTE: The other day the Minister of Railways and Canals had a bill making it an offence to transport liquor under false billing, and so forth. My right hon. friend suggested that this should be done by an amendment to the Criminal Code, because it would not apply to railways not under the railway commission. He was quite right in that. I am therefore moving as an amendment to this bill what was in the bill of the Minister of Railways and Canals. It is proposed to amend the bill by adding thereto the following section:

The said act is amended by adding to section 412 thereof the following subsection:

"(2) Every one who by himself, his servant, agent or employee—

(a) By means of false or misleading billing, classification or labelling, or any other false or misleading representation or statement of the contents of any car, vessel, package or consignment, or by concealment, or failure to properly bill or disclose the entire contents of any such car, vessel, package or consignment, or by giving, furnishing or using any false address or by any other means or device, whether

with or without the consent or connivance of any servant, agent or employee of any railway, steamship or other transportation company (including any railway or steamship line owned or controlled directly or indirectly by the Crown), knowingly obtains or attempts to obtain the carriage or transportation by such company of any intoxicating liquor into any country, province, district or other place, whether within or without Canada, where the importation or transportation of such liquor is in the circumstances of the case contrary to law:—

(b) Knowingly aids or assists in any manner whatsoever in the doing of any of the acts, matters or things mentioned in paragraph (a) of this section; is guilty of an offence and shall be liable on summary conviction to imprisonment without the option of fine for a term not less than thirty days nor exceeding twelve months, with or without hard labour; and all intoxicating liquor with respect to which any conviction has been had under this section and all cases, kegs, barrels, bottles, packages, or receptacles of any kind in which the same is or was contained shall upon conviction be forfeited and shall be disposed of for medical purposes or in such other manner as the Court may from time to time order.

I also wish to move an amendment which will come between section 13 and section 14. Of course the numbers of the sections will have to be changed accordingly. The proposed amendment is as follows:

Paragraph (a) of section 542 of the said act is repealed and the following is substituted therefor:—

(a) wantonly, cruelly or unnecessarily beats, binds, ill treats, abuses, over drives, tortures, or abandons in distress, or having ownership thereof in any way fails to provide and supply food, water and shelter for any cattle, poultry, dog, domestic animal or bird, or wild animal or bird in captivity, so that unnecessary suffering or injury is caused to the same; or—

This amendment is asked for by the Humane Society, and my hon. friend for East Hamilton (Mr. Mewburn) has been urging upon me the advisability of enacting such an amendment to the Criminal Code.

Progress reported.

Mr. MEIGHEN: Surely the government are not going to take up any further business to-night.

Mr. GRAHAM: Just a couple of third readings in order to get the bills over to the Senate.

CUSTOMS ACT AMENDMENT

Hon. P. J. A. CARDIN (for the Minister of Customs and Excise) moved the third reading of Bill No. 145, to amend the Customs Act.

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

CIVIL SERVICE ACT AMENDMENT, 1918

Hon. GEORGE P. GRAHAM (for the Postmaster General) moved the third reading of Bill No. 168, to amend the Civil Service Act, 1918, respecting certain post office employees.

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

On motion of Mr. Graham the House adjourned at 12.10 a.m. (Tuesday).

Tuesday, June 9, 1925

The House met at three o'clock.

REPORT—INSURANCE

Abstract of statements of Insurance Companies in Canada for the year ended 31 December, 1924.—Hon. Mr. Robb.

PRINTING OF PARLIAMENT

Mr. MARCIL (Bonaventure) moved that the fourth report of the joint committee on the Printing of Parliament be concurred in.

Motion agreed to.

YUKON QUARTZ MINING ACT

Mr. STEWART (Argenteuil) moved that the order for the House to go into committee of the Whole on Bill No. 6 to amend the Yukon Quartz Mining Act as amended be rescinded and that the said bill be placed on the order paper in government orders for consideration in committee of the Whole at the next sitting of the House.

Motion agreed to.

PRIVATE BILLS

FIRST READINGS

Bill No. 178, from the Senate, for the relief of Matthew Wilson Lazenby.—Mr. Ross (Kingston).

Bill No. 179, from the Senate, for the relief of Evelyn Laura Herlehy.—Mr. Ross (Kingston).

Bill No. 180, from the Senate, for the relief of Lois Kathleen Purdy.—Mr. Ross (Kingston).

RURAL CREDITS

On the Orders of the Day:

Mr. H. E. SPENCER (Battle River): Will the Acting Minister of Finance tell us when the government intends to bring down legislation with respect to rural credits?

Hon. J. A. ROBB (Acting Minister of Finance): I will probably be in a position to give my hon. friend a reply this week.

ANTI-DUMPING—REFUNDS

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): As a result of communications I have just received from the coast, I desire to ask the government if they will correct something which was done last year and which is mentioned in the Duncan report. When the surplus fruit from the United States was dumped into British Columbia and the prairie provinces, the anti-dumping duty was levied, but was promptly refunded, so that the effect of the anti-dumping clause was negatived. The fruit season is approaching, and it is important to know whether the government's policy in the future will permit such a thing, or whether they will correct this matter and stop the refunding process.

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries): No definite stand has been taken in this matter and no definite request has been made to the department at the present time. I will be pleased indeed to look into the matter, as suggested to my hon. friend, and will be in a position in a day or two to give a definite answer.

HUDSON BAY RAILWAY

On the Orders of the Day:

Mr. ANDREW KNOX (Prince Albert): As the session is pretty well advanced, will the Minister of Railways tell us when we may expect something in the shape of a supplementary estimate for the Hudson Bay railway?

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): The estimates, so far as the government has considered the Hudson Bay project further than has been disclosed, are now before the House in the estimates of the Canadian National Railway.

SUPPLEMENTARY ESTIMATES

On the Orders of the Day:

Hon. T. A. CRERAR (Marquette): Can the Acting Minister of Finance tell us when the supplementary estimates will be brought down?

Hon. J. A. ROBB (Acting Minister of Finance): They are now in course of preparation.

RHINE FRONTIER

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): With regard to the matter referred to yesterday by the hon. member for East Calgary (Mr. Irvine), will the Prime Minister tell us whether Canada is party to any security pact with France in regard to the Rhineland?

Right Hon. W. L. MACKENZIE KING (Prime Minister): The answer is, no.

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. ROBERT FORKE (Brandon): Has the Minister of Justice any information to give the House as to when the Alternative Vote bill will be brought down?

Hon. ERNEST LAPOINTE (Minister of Justice): I have no information to give my hon. friend, except that the House has all the work that it can attend to just now. That has been the position for the last few days. The Alternative vote measure is on the order paper.

INCOME WAR TAX ACT, 1917

REPEAL OF SECTION 25 CONSTITUTING LIEN UPON ASSETS OF TAX PAYER

Hon. J. A. ROBB (Acting Minister of Finance) moved that the House go into committee to consider the following proposed resolution:

That it is expedient to repeal section 25 of the Income War Tax Act, 1917, as enacted by chapter 46 of the statutes of 1924, constituting a lien upon the assets of the taxpayer for unpaid taxes assessed under the said act.

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

Mr. GOOD: We might have some explanation from the minister as to the purport of this resolution.

Mr. ROBB: The House will recall that in 1924 legislation was passed giving the government a special lien on account of income taxes. Since that time the income tax collecting branches have been consolidated with the customs and excise ports, so that there are now a great many offices throughout Canada. It is estimated that there are over 300,000 taxpayers, and as the number of defaulting taxpayers is comparatively small, it has been decided that the remedies which the crown may exercise now without this lien are sufficient. We feel that the crown has sufficient guarantees and this interferes somewhat with business.

Sir HENRY DRAYTON: The minister is quite right in bringing in this resolution and it is proper legislation. It is proper not merely by reason of the fact that there has been an amalgamation of the departments; that has not changed the situation at all; it is proper

to do this because what we did in 1924 was improper and mistaken. What we were there doing was in connection with the income tax, placing a statutory lien or encumbrance upon real estate, never mind where situated, tieing the hands of ratepayers in the handling of their property, making it difficult for them to get loans, mortgages and the like. It was a retrograde step, entirely too high-handed. It was going beyond the ordinary legitimate business practices. I think my hon. friend is to be commended for now seeing the error that was committed in 1924 and putting it right.

Resolution reported, read the second time and concurred in. Mr. Robb thereupon moved for leave to introduce Bill No. 183, to amend the Income War Tax Act, 1917.

Motion agreed to and bill read the first time.

PROPOSED LOAN OF $164,000,000

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 170, to authorize the raising, by way of loan, of certain sums of money for the public service.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Gordon in the chair.

Section 1 agreed to.

On section 2—Loan authorized.

Sir HENRY DRAYTON: I want to call my hon. friend's attention to just one thing, and that is that some hon. members have spoken to me about the object of this bill. I understood it to be merely refunding and I so advised them. They also said that they could not see any loans falling due this year which would account for the refunding. I told them that doubtless the refunding was occasioned by reason of short-date loans made by my hon. friend last year, which loans he proposed now to turn into long-date obligations. All I want is to be assured that I was right. I think I must have been right.

Mr. ROBB: I think when the resolution was before the House I gave a list of maturities. They are as follows:

July 1, Dominion stock..	$ 60,800 00
Aug. 12, treasury bills, London..	23,333,333 33
September 15, one year notes, New York	90,000,000 00
November 15 one year notes, Canada.. ..	8,000,000 00
December 1, war loan, 1915-1925..	42,014,500 00
Total..	$164,408,633 33

Mr. GOOD: Is it the intention of the government to convert practically all of these short-term borrowings into long-term loans?

Mr. ROBB: We have not yet determined what method of financing we shall make use of. That will be determined when we have the bids. It will depend largely upon the condition of the money market. I may say to hon. members, as an indication of how popular Canadian securities are, that this bill was scarcely on the order paper two hours until we had a couple of calls from New York. We had two visits from bond men in Canada and one from bond men in New York last week. We have had visits from bond men in New York to-day. We are waiting until the session is over in order to determine just how favourable the market may be.

Mr. MACLEAN (York): Are any of the commitments of the government in connection with the National railways still in the shape of short-term loans?

Mr. ROBB: These are not National Railway loans.

Mr. MACLEAN (York): I know, but are some of the commitments in connection with the National railways still in the shape of short-term loans?

Mr. ROBB: I could not answer my hon. friend as to that.

Mr. SPENCER: Has the minister considered making further use of the savings deposits in the Post Office Department by removing a certain number of restrictions which at the present time people are under who use that department? I understand there is a limit of the amount—it is $1,500, I think—that can be placed in the Post Office Department in one year, and a limit of $5,000 in all on which interest can be paid. Has the minister considered giving a higher rate of interest to depositors on post office savings accounts and making more use of that system of borrowing for the government, thus saving a considerable sum of money?

Mr. ROBB: That is a matter worthy of attention. I have not taken it into consideration.

Mr. IRVINE: The minister in this bill is asking parliament to authorize the pledging of Canadian securities, in other words, our credit, to some financial institution in order that we may borrow it back again at whatever per cent they may wish to lend it to us. Has the minister ever considered the possibility of finding some better way of utilizing our own credit than that now in practice? Surely

it is apparent that if we are to continue raising our required finances in accordance with the present system, by which we double our indebtedness every twenty years, it is impossible that we shall ever get out of debt. This must be clear to everybody. Has either the minister or the government ever thought of any other method of using our own credit in order to avoid this piling up of debt?

Mr. ROBB: My hon. friend has brought this point to the attention of the House a number of times. We believe in having a sound financial system and it is our opinion that it should be such that there would be no doubt in a man's mind as to what he would receive when he sold a bushel of wheat, for example.

Mr. IRVINE: Is it a sound system whereby our debt is doubled every twenty years?

Sir HENRY DRAYTON: It is not our financial system that accounts for the fact that every twenty years or so our liabilities are doubled; the reason is rather to be found in our fondness for spending money whether we have it or not. We have that on the one hand, and on the other there are troubles in connection with the incidence of taxation. Of course, if you spend more money than you can raise you will go into debt; and this is true not only of individuals but of nations as well. I do not think there is much difference in this respect between the individual and the nation; if expenditures are more than income there will be liabilities. That I think is what the hon. member means when he speaks of our indebtedness being doubled. And you will increase your liabilities whether you express them in sound money, in terms of credit, or in any other way. You may increase your liabilities in terms which may not mean very much having regard to the value of your token, but you may also increase them to a startling extent under a system of financing which might be very different from ours.

I am perfectly free to admit that if there is any way in which the Department of Finance can put into effect any improved system of financing, such a system should be adopted. And when I say "system of financing" I am using a term that covers a very broad field: it covers the basis of taxation; it covers the standard of currency; it covers of necessity the methods by which you make your loans. If the Department of Finance could find some new system of that sort it would be an excellent thing, provided, of course, the troubles incident thereto were not worse than those from which we now suffer.

I am not for one moment suggesting that the present system is perfect; I do not think that anything human can be perfect. But so far I have not been able to find an alternative which shows any real promise of betterment. Possibly somewhere there is a happy spot where the differences are reconciled as between those who think that one hundred per cent happiness is to be found in sound money and those who think that humanity ought to be looked upon as the first consideration. Personally I think that the humanitarian aspect which my hon. friend (Mr. Irvine) very properly refers to from time to time ought always to be the first consideration. But in connection with any palliative system, I think that any changes that have so far been made in the name of humanity have not benefited humanity to any considerable extent; humanity itself has suffered most from these so-called financial reforms. Money under the gold standard may work a lot of harm sometimes; it may mean the closing off of credits, which is a bad thing, and it may mean unemployment and the slowing down of industry. But it is a good thing to have such a system if you do not pay too much for it; and at the present time I really fail to see any way in which the Acting Minister of Finance (Mr. Robb) can finance except in the way he proposes. At any rate, I have not seen any plan submitted which in my opinion could be adopted.

Mr. IRVINE: I am glad to see that the ex-Minister of Finance (Sir Henry Drayton) has come so ably to the defence of the acting minister (Mr. Robb). I understand that the ex-minister has a very wide and thorough knowledge of financial questions, but I will take issue with him on at least one of the points which he made, the first one,—that the doubling of our debts was due not to the system of paying interest but rather to the fact that we were spending money whether we had it or not. I do not know, of course, what the hon. gentleman meant by "money"; I presume he would mean credit. However, I will not enter into a discussion of that phase of the question now; but I shall ask him another question which possibly will bring out the point at issue. We are now providing for a loan of $164,000,000. I do not know whether we have or have not that "money", to use the phrase of my hon. friend, but we will assume we have the credit; otherwise we could not borrow the money. Now, $164,000,000 in twenty years at five per cent would be approximately $328,000,000. Will that $164,000,000 increase to $328,000,000 merely because we borrowed

"money" which we did not have? Or will the increase come about because of the five per cent interest which we shall pay to someone, absolutely for nothing? And this does not take into consideration brokerages and other expenses in the placing of loans. The ex-Minister spoke of our adopting some other system. What he said would be timely if there were any chance in the world of this parliament taking any new action in any direction, but there is not the slightest danger of that. However, if we were contemplating taking new action, then I certainly agree with the ex-minister that we should be careful indeed about what we did. The hon. gentleman is afraid that any new system might be worse than the one we now have. I do not think that is possible; it seems to me that the present system will land us in destruction in a short time. We have a national debt now of nearly three billion dollars and the only way we can pay our debts under the present system is by incurring new debts with which to cancel old debts. Our indebtedness is thus doubled each twenty years providing we fail to pay interest. At the present time our people are over-burdened with taxation and the end of the journey is in sight. Yet this is called "sound financing". I would not blame the present government or the Acting Minister of Finance (Mr. Robb) for following the path that has been followed right along, if there were no better system in sight. But there are better policies that could be adopted and I do not think the government has interested itself sufficiently to examine them. Certainly there is no more dangerous policy than the one at present in effect; we are heading for bankruptcy whether we want to admit it or not. And this is true not only of Canada but of other nations as well. I think the words of the British Ambassador to the United States, uttered in New York about two weeks ago, were ominous indeed; and we can only conclude from them that Great Britain through her ambassador was giving warning to the United States that she would not be able to pay even the interest on her indebtedness in the future. The situation is worse in France and is not much better in Canada. This "sound financial system" of ours is landing us in the ditch.

Sir HENRY DRAYTON: I do not know that we quite understand each other. It does not necessarily follow that success—by which term I mean the whole national happiness, which is the real success—depends upon any kind of financial operation. Different countries have experienced such success under different methods and different values. Now let us look at the first proposition—the doubling of our debts. While we have to pay our interest annually, it is still the same $164,000,000 at the end of the time, unless we have been foolish enough not to have a sinking fund. We have a penalty for non-payment; that I admit at once. But I would point out to my hon. friend that Great Britain—which he has mentioned—has made tremendous reductions in her debt since the war, with a very high standard in regard to her money. I would also point out to him that when he compares, for example, what happened in Great Britain with what happened on the Continent, and says that it is all the outcome of "sound finance," I am afraid he is wrong. Take France and Germany—they did what Great Britain would not do. Great Britain sought to have value behind her currency. After the war was over she had not got it; I admit that. But there are just two ways you can squeeze water out of currency and put it upon a sound basis, as I see it. The first is by the sale of assets. Great Britain sold billions of dollars' worth of outside assets, which of course set up a demand for sterling. The other method is drastic and rigorous taxation, and if any country in the world has been taxed, and taxed white, it is Great Britain to-day. That is the reason why the pound is where it is now. That is the kind of finance my hon. friend on his line of reasoning would properly call, "the sound orthodox method." Germany and France took an entirely different course: when money was needed a new issue would be made. It is true that that practice has been curtailed in connection with the new gold standard erected in Germany; and it is true that France to-day is also curtailing her issues. But the fact is that you have an absolute economic difference between the financial policies of Great Britain and those of the continental nations; and there are troubles both in England and on the continent. No one would like to find out more than I would a halfway course, but it must be one the adoption of which would not do the country more harm than good, for I have a feeling that any nation can pay too much for so-called "sound money." But so far I have not found that halfway course.

Mr. IRVINE: Mr. Chairman, I used the term "sound money" in rather a jocular sense. There is no difference that I have been able to appreciate between the financial systems now in vogue in Germany, Austria, France, Great Britain, the United States and Canada. The financiers of the world have forced Aus-

tria and Germany back into the old, "sound, orthodox system of financing." We never needed to be forced; we were content to follow without even making a protest. There is no different system of finance in any of these countries. The other point mentioned by my hon. friend was that we pay our interest from year to year, therefore our debts do not grow. But if we pay our interest from year to year then that is debt paid, and we can only pay by increasing the taxation of our people; and it would be a very courageous government indeed which would dare increase the present taxation very much more. Still we go on borrowing. If we cannot increase our taxation further to pay interest, then we must charge up interest to the national debt, and borrow still more to pay that interest, and so on we go down the toboggan slide to bankruptcy.

Mr. WOODSWORTH: Mr. Chairman, I should like to support the contention that there is another way by which we might do our financing. I recognize that until we have a sound system of national banks it is extremely difficult to do so. But it would seem to me that this repeated borrowing on such a vast scale ought to make even the most conservative-minded pause and ask whether there is not some other way. I cannot understand why, if we had our own banking system, we could not directly issue these amounts. I am not pleading for "easy money," I am not pleading for inflation, but I would suggest there is no more danger of inflation by the government issuing its own money than by its going to a bank and pledging the credit of the country for the bank to issue its money. However, I suppose we are not considering that larger question of our own banking system, without which I cannot quite see how we can handle the situation. But I should like to call attention to the suggestion offered by my hon. friend from Battle River (Mr. Spencer). The Acting Minister of Finance (Mr. Robb) I think said that he had not considered an increase in the rate on savings bank deposits. A debate on this question took place in 1914, and on page 5199 of Hansard we have the following from Mr. Lemieux:

> Does my hon. friend the Minister of Finance (Mr. White) think that in the present financial condition he would not be doing well by increasing the rate of interest on the savings in the post office savings banks? There is a general outcry amongst the plain people of this country against the low rate of interest the government pays its depositors. Could not my hon. friend take the interests of the plain people to his heart, and pro bono publico increase the rate of interest paid to depositors in the post office savings banks by one per cent?
>
> [Mr. Irvine.]

Mr. White, the Finance Minister of the time, replied:

> That matter has frequently been discussed in the House. The raising the interest rate on savings deposits in the post office, and in the chartered banks of the Dominion, would be followed by an increase in the discount rate. If my hon. friend had taken the trouble that I have to look into this matter, and had examined the statement of, say, the Bank of Montreal, he would have found that to increase the rate of interest by even one half of one per cent would have a very serious effect on the earning power of that institution. The result would be to increase the discount rate to the manufacturers and business people of Canada. . . For the present, at all events, I see no prospect of increasing the interest rate on deposits in the post office savings banks. I may say that my predecessor reduced the interest rate on such deposits, giving as his reason that in consequence of its being an artificial rate the discount rate had been found burdensome to business.

There is a very frank admission by the then Minister of Finance that the reason the interest on the savings in the Post Office banks was not increased was because it might interfere with the profits of the chartered banks. No real argument was put forth to show why the banks would need to raise their interest rate, because there is already a wide spread between the interest charged by the banks and that which is allowed on deposits in the savings banks. But I am inclined to think that this policy, which has now been going on for eleven years—indeed, it was in vogue when this debate took place in 1914—has been dictated very largely by the interests of the banks and not by the interests of the people at large. There would seem to be no reason why the small savings of a large number of people should not be collected and used for government purposes instead of the government going to the banks and paying to them a much higher rate of interest than is being paid to the depositors in the Post Office saving bank. What proportion of this $164,000,000 is it proposed to spend on the retiring of these bonds and what proportion will be spent on public works and general purposes?

Mr. ROBB: I have already placed that information on Hansard two or three times. The total maturities this year amount to $164,408,633.33. The bill now before the committee provides for $164,000,000. It is all, therefore, for the retiring of bonds; in fact it will be noted that the maturities this year amount to $408,633.33 more than we are asking for.

Mr. WOODSWORTH: Why, then, these words in the bill: "and for public works and general purposes"?

Mr. ROBB: I had hoped it would go through without my having to explain that. But I will tell my hon. friend frankly that if

we have any spare money left over we propose to go quietly into the market wherever we can and buy outstanding tax free bonds that may be on the market.

Mr. JACOBS: I am not often in agreement with the hon. member for Centre Winnipeg (Mr. Woodsworth), but there seems to be sound sense in the argument he has just made. It puzzles me to know why a bank can get all the money it requires—or some banks, rather—at 3 per cent and lend it out at 100 per cent profit, while the government of Canada, from which after all, the banks derive their life, has to go on the market and pay, roughly, 5 per cent for money, and get it outside of the country. Surely the credit of the Dominion of Canada is just as good as that of any bank in this country. If the credit of the Dominion is worthless, then the credit of the banks is worthless. If we could by some arrangement obtain from our own people in small sums this $164,000,000 at 3 per cent, or even 3½ per cent, it would be good business. We would save from a million and a half to two millions yearly and we could use that money in the building of elevators or branch lines or for other useful purposes prior to a general election. The possibilities are tremendous. I would suggest to the minister that before we begin negotiations with these astute gentlemen who have already telephoned him from New York and other outstanding points, we should see whether we can interest our own people in taking up this loan.

Mr. GOOD: I think the hon. member is absolutely right in his point of view.

Mr. JACOBS: I am beginning to think now that I am wrong.

Mr. GOOD: How very unkind! There is no good reason why such a policy cannot be followed. During the sittings of the Banking and Commerce committee last year some attention was given to the postal savings banks and it was apparent to the members of the committee, for reasons I need not suggest, that the postal savings banks had in recent years been considerably crippled. In Ontario about four years ago provincial savings banks or "branches" were established in many centres, as had previously been done in Manitoba, and a large amount of money has been collected from the people of the province and made available for advances on agricultural loans or any other provincial purpose whatsoever. Four per cent was paid on these deposits, and it is only recently that the rate has been cut down to three per cent. What was done then and what is being done now at a lower rate of interest in Ontario, what has been done for a good many years in Manitoba, can be done by the Dominion. There is no reason in the world, other than the selfishness of our chartered banks, why the citizens of Canada cannot contribute of their savings for Dominion purposes. I think the present situation is an outrage. The matter of utilizing the savings of the people through our postal savings banks or by means of some other machinery of a similar character should receive prompt and earnest attention on the part of the government and the Acting Minister of Finance.

4 p.m.

Let me emphasize one further point: The minister would be horrified if anyone suggested that he print Dominion notes to the extent of $164,000,000 and meet his maturing obligations in that way. But he will give the note of the Dominion to a bank either here or elsewhere which will then issue its printed pieces of paper, and thus probably inflate the currency to exactly the same extent as he would do by printing Dominion notes.

Mr. VIEN: Does my hon. friend doubt for one minute what the effect would be if the Minister of Finance did issue Dominion notes for that amount?

Mr. GOOD: I seriously doubt the implication of my hon. friend's question; but I do admit that without proper regulation the policy is a risky one. What I want to point out now is that the government, rightly I think, hesitates to adopt a policy that they allow the banks to adopt and pay them five per cent interest for. Now this is the situation: My hon. friend the Acting Minister of Finance will rightly hesitate to throw into circulation $100,000,000 worth of Dominion currency, but he will go to the Bank of Montreal and pay that bank $5,000,000 for doing the very thing that he will not do, the very thing that he is ashamed to do. Not only does he allow the bank to do that, but he pays them a nice round figure if they inflate the currency by $100,000,000, as they may well do, and have done in the past. I admit that in fact it may not be quite that extent of inflation, but the Acting Minister of Finance does not know that it is not inflation to the full extent of the $100,000,000. That is my point. Here we are complaining all the time about the possibilities and the dangers of inflation or deflation, and rightly so, because the issue of currency must be regulated, and carefully regulated. But while we thus shrink we are permitting the banks in an unregulated way to commit

the very same sin that we are ashamed to commit; and not only do we allow them to do it, but we pay them a nice round sum for doing it. I know how we are deluded, how the Minister of Finance and the people generally are deluded, because we think, and usually wrongly think, that this money is money that has been gathered in as we gather in money through our savings branches. It may be so sometimes, but frequently it is not at all that. It may be simply the writing of new money, and, as I said before in regard to the crippling of our postal savings branches, I think our present custom outrageous, of allowing our private institutions, which have practically a monopoly of issuing new currency to do the very thing that we would regard as a sin if we did it ourselves. We had a bill up yesterday in connection with the counterfeiting of money, and my hon. friend from Bow River (Mr. Garland) raised the question whether it should not be criminal to depreciate the value of the dollar. It is judged criminal to write purchasing power on a piece of paper, and rightly so, but that is what we allow our banks to do, and we often pay them five per cent interest for doing it, for just writing purchasing power on pieces of paper! I do not want to delay the committee any further just now, but that is the situation.

Mr. ROBB: Hon. gentlemen seem to be under the impression that we have been paying, and propose to pay, five per cent and more for this money. I would direct their attention to the fact that the $98,000,000 maturing is now on a four per cent basis, and $60,800 of the loan made last year is on a 3½ per cent basis. That does not mean I am not in favour of borrowing money at a lower rate. I propose to be generous with hon. members of this House. If we get through here before the first of July, it will be pay day, and I make an offer now to every hon. member of this House to borrow his indemnity of $4,000 and pay four per cent interest for it. That includes the hon. member for George Etienne Cartier (Mr. Jacobs), who comes from a race of financiers.

Mr. JACOBS: Mine is already spent. I am like the government in that respect.

Mr. GARLAND (Bow River): That point raised by my hon. friend the Acting Minister of Finance is a most ridiculous one and has nothing to do with the case we are discussing, except that it would perpetuate the evil to which we have been addressing ourselves. The proposition as we see it, very briefly, is this: The Dominion of Canada is now in the position of wanting to secure some money with which to pay debts. It is proposed to get that money by pledging the credit of the Dominion. We went over all this last year and pointed out to the minister that what he was getting back in return for our real credit was either a book entry or another promise to pay on the part of some financial house; in other words, another credit slip. All we are getting is a credit slip and we are paying interest on that credit slip. The real asset is the credit of the whole of Canada which is pledged to some financial house, and we are going to pay them interest and keep on paying them. It is this system which has helped to bring Canada to its present position, and the effect of which will increase as the years go by. To-day Canada has a debt of about $380 for every man, woman and child. It amounts to twice as much as the total per capita debt of France prior to the war. That fact alone ought to be enough to shock hon. members of this House, especially when we realize that France at that time had the largest national debt in the whole world. To-day Canada, this large country with a small population, has a per capita debt equal to, in fact slightly greater than, the per capita debt of France before the war, and that country at that time had the largest debt in the world. We are making no attempt to reduce our debt, to get out from under the system that is carrying us further and further into debt.

I do not wish to reiterate all the arguments that have been made by hon. members around me year after year. All I wish now is to register again my protest against the continuation of the present system, and the lack of any honest, sincere, earnest attempt by the minister or his department to find some better system.

Mr. COOTE: There is just one point I would like to bring to the attention of the minister, and that is to ask that in cases where loans are being refunded the holders of the maturing bonds should be given an opportunity to exchange their holdings for bonds of the new issue.

Mr. ROBB: That will apply if they are Canadians.

Mr. COOTE: In 1923 there was a loan refunded in Canada, and a circular was sent to the holders of the old bonds notifying them that they would have the privilege of exchanging, but certain cases have been brought to my attention where the holders of the old bonds were not able to secure bonds of the new issue in exchange, although they had handed their bonds into the bank on the 2nd day of October, and the bonds did

not mature until November 1st. They have not been able to secure any redress since from the Department of Finance or the banks, and I think the people have been misled. It would seem that when these loans were sold to certain syndicates, the public were not fully protected in that they were not given a proper opportunity for exchanging for bonds of the new issue. I certainly think it is desirable that the bonds of this country should be spread as widely as possible amongst our population, and I certainly think it is imperative that the holders of these bonds, particularly the small holders, should be given a fair opportunity of exchanging for the new bonds, and when circulars are issued to that effect, the government should see that proper provision is made in the contract with the syndicate for the exchanging of the bonds. I have already had correspondence with the minister in regard to two or three cases, and I hope he will see that in future such cases as these do not occur.

Mr. SPENCER: I am very glad to hear the Acting Minister of Finance say that he will take under due consideration the possibility of giving a higher rate of interest on post office savings deposits.

Mr. ROBB: I did not say that. I understood my hon. friend to ask me to enlarge the limit. That is all my hon. friend asked at the time. There was no question of the rate of interest being raised as his remarks came across the floor to me. He simply said that the limit now was $1,500, and he wanted that limit enlarged.

Mr. SPENCER: He also suggested raising the rate of interest.

Mr. ROBB: I did not catch that.

Mr. SPENCER: I would like to refer to the statement the minister made the other day with regard to the government of Canada not guaranteeing deposits in the ordinary chartered banks of this country. Considering the great losses which have been incurred during the last two years of savings which have been deposited in a certain bank in Canada, it is of great importance for the people, particularly that class of people who deposit their savings—and you might count them in very large numbers—to know that they have some place, such as the government post office savings bank, where their savings can be guaranteed. The government from time to time has preached the advisability of thrift. I do not know of any greater encouragement that the government could give to the people of this country to be thrifty than offering them one per cent higher rate of interest on their savings in the post office savings bank than the rate the people are receiving at the present time. I was somewhat surprised the other day when the minister made the statement most emphatically that the government of this country would not guarantee savings in the ordinary bank.

Mr. ROBB: I stated the fact—and my hon. friend has a responsibility in that matter, as he is a member of the Banking and Commerce committee—that under the banking laws of Canada the government are not responsible in such cases.

Mr. SPENCER: That makes my case all the better. In 1923 the hon. member for Macleod (Mr. Coote) proposed an amendment to the Bank Act before the Banking and Commerce committee, suggesting that a notice be placed in each bank advising the public that the government of Canada did not assume any responsibility for the safety of deposits in that bank. At that time the amendment was strongly opposed by the government and its supporters, and it did not carry. If, as the minister has informed the House and the public in the last few days—which I admit is correct—that the government will not guarantee deposits in the banks, why was the amendment not allowed to go through? I make this statement now because the two attitudes seem to me to be opposed. I hope that before the minister comes to this House again desiring to float other loans, whether to pay for public works or to meet indebtedness, he will consider the question of increasing the rate of interest given by the government on post office savings.

Section agreed to.

Bill reported, read the third time and passed.

HOME BANK

PROPOSED PAYMENT OF DEPOSITORS TO THE AMOUNT OF $5,450,000

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 182, for the relief of the depositors of the Home Bank of Canada.

Motion agreed to, bill read the second time and the House went into committee thereon, Mr. Marcil (Bonaventure) in the chair.

On section 2—$5,450,000 for paying proportionate part of amounts due depositors in Home Bank.

Mr. GOOD: There seems to be just a little doubt as to the second of these phrases: "For money on deposit or in current account".

Perhaps the minister would allay any uneasiness on that point.

Mr. ROBB: I expected this point would be raised. My hon. friend will understand that a bank as a going concern has not only the money on deposit, but the money of the depositor for which a cheque has been issued and not yet withdrawn, and to make that perfectly clear, I would refer, for instance, to bills of exchange issued by the banks, cheques certified and accepted, outstanding at the date of suspension and not yet cashed, and persons entitled to money collected as agents and not paid at the time of suspension. If the bank had been collecting a note for my hon. friend and it had not been paid at the date of suspension, that would be an instance of it.

Section agreed to.

On section 3—Creditors for money or deposit, or in current account, defined.

Mr. STEVENS: Would the minister explain the last two lines:

And persons entitled to moneys collected as agent prior to suspension and not paid over.

Mr. ROBB: I just gave an instance of that to my hon. friend from Brant. As I understand it, if my hon. friend had left a note at the bank for collection and the bank had collected the note but had not paid over the money, that would be a case in point. There are several cases of that kind.

Section agreed to.

On section 4—No payment to person or government entitled to charge upon assets, or bank or banking correspondent.

Mr. STEVENS: What is section 131?

Mr. ROBB: Section 131 reads:

In the case of the insolvency of any bank,—

(a) the payment of the notes issued or re-issued by such bank, intended for circulation, and then in circulation, together with any interest paid or payable thereon as hereinbefore provided, shall be the first charge upon the assets of the bank;

(b) the payment of any amount due to the government of Canada, in trust or otherwise, shall be the second charge upon such assets;

(c) the payment of any amount due to the government of any of the provinces, in trust or otherwise, shall be the third charge upon such assets; and,

(d) the amount of any penalties for which the bank is liable shall not form a charge upon the assets of the bank, until all other liabilities are paid. 1913, c. 9.

Mr. STEVENS: None of these comes under the bill.

Mr. GOOD: In that connection have these prior claims been made already?

[Mr. Good.]

Mr. ROBB: Well, two or three, but they are provided for I think.

Mr. GOOD: Provided for in the liquidation?

Mr. ROBB: I think so.

Section agreed to.

On section 5—Distribution and payment by liquidators.

Mr. STEVENS: I intimated yesterday that the question would arise; will the liquidator receive fees for the distribution of this five million?

Mr. ROBB: No, I do not think he expects any fees. Following the debate in the House yesterday, I explained to the Deputy Minister of Finance this morning as a reminder, that when we made a remittance of a cheque to the liquidator, to prepare for my signature a letter making it very clear to him that there were to be no commissions paid to anybody and he was to see to it that this money was sent only to those for whom it was intended under the act, namely the depositors.

Mr. STEVENS: Should we not insert that in the bill?

Mr. ROBB: I think we have made it pretty clear, and I do not think there is any necessity of putting it in the bill.

Mr. STEVENS: The hon. member for West York (Sir Henry Drayton) asked for certain information yesterday.

Mr. ROBB: I gave the hon. member for West York a copy of the letter.

Mr. STEVENS: All right.

Mr. RYCKMAN: The power of the Acting Minister of Finance may be very important and reach a great distance, but it cannot override the courts, and if the liquidator receives or disburses this money, he will be entitled to the usual commission which a liquidator receives unless the matter is properly cared for now.

Mr. ROBB: I think we must trust something to the honesty or honour of the liquidator.

Mr. STEVENS: This is not a question of honesty or honour. I think my hon. friend's suggestion is right; in fact, I am sure it is, because his legal knowledge is much greater than mine. The reason I raise the point is that liquidators are undoubtedly entitled to a commission upon funds that pass through their hands as liquidators. That is the law. It should, therefore, be stated in this bill that no liquidator's fees are to be paid in respect of

this particular sum. The idea of a liquidator's fees is this. The liquidator goes in and takes the assets of a defunct institution, in this case the bank, and he is supposed, by his knowledge of business, to realize on those assets in the best interest of the creditors. That is his business and he is entitled to fees for that service. This is not a service that he is rendering. This is a gift of the country to the depositors, and rather than have the liquidator deduct his fees from this amount, I would sooner see them paid out of the Finance department or some other department. A provision to this effect could be inserted at the end of clause 5:

Provided, however, that no fees or commission shall be paid out of the said sum to any persons for the distribution of same.

I am not quite certain that the form of the amendment is as complete as might be desired, but I think that would cover it. Perhaps the Minister of Justice would help me out in this.

Mr. LAPOINTE: I think the draft is rather good.

Mr. ROBB: I will accept that.

Mr. STEVENS: I will move that that be added as an amendment at the end of clause 5.

Mr. BROWN: I have very little knowledge of these matters, but it occurs to me that the distribution of that amount of money will involve a good deal of work on some person and something should be paid for the work.

Mr. BAXTER: It is only a question of writing cheques for larger amounts. The number of people is the same.

Mr. STEVENS: The liquidator is going to distribute a dividend of ten per cent, it is estimated, and all he has to do is to enlarge his amount. He takes his ten per cent, say $2,000,000, he adds to it the $5,000,000, and he distributes pro rata the whole amount of $7,000,000.

Mr. ROBB: I do not think this will add anything to the expense.

Mr. McBRIDE: What about the stamps that are put on each of these cheques?

Mr. ROBB: That will be an expense against the estate.

Mr. SUTHERLAND: Is it the intention of the minister to have this itemized statement regarding the expenditures, so far, of the liquidator placed upon Hansard?

Mr. ROBB: I can put it upon Hansard now. If my hon. friends so desire, I will place on Hansard, for the information of hon. members so that they will have it on hand to-morrow morning, the statement that was sent to Mr. Lee, chairman of the Home Bank Depositors' Relief Association, and signed by Mr. Clarkson. The statement is as follows:

November 26, 1924.

W. T. J. LEE, Esq.,
Chairman of the Home Bank
Depositors' Relief Association.

Dear Mr. LEE:

You have informed me that it is necessary for the national committee representing Home Bank depositors to be informed as to the extent of the realization to date upon the assets of the Home Bank of Canada; also to be informed—so far as can presently be determined—as to what the prospects for payment of a further dividend to depositors are, including my estimate of what the assets remaining to be realized are likely to produce.

In reply to your enquiry I would state that the amount realized to date from assets of the bank which have been liquidated is approximately $6,496,896, which sum has been disposed of in the manner following, namely;

Paid to creditors—	
(a) Circulation redeemed..	$1,610,550
(b) Payments made on account of secured and preferred claims.. ..	383,610
(c) Dividend paid to creditors—25 per cent..	3,845,628
(d) Advances to Home Bank Depositors' Relief Association on account of future dividends payable to creditors, as per white slips of assignment..	19,802
(e) Interest paid upon circulation, preferred claims and borowings necessary to pay dividend of 25 per cent..	125,227
	$5,984,817
Advances made in protection of unrealized assets..	226,203
Costs of operation of Home Bank of Canada in period between the date of suspension (August 17, 1923) and date of winding-up order (October 8, 1923)..	86,724
Salaries of staff, rentals and general expenses in connection with liquidation for period between October 8, 1923 and November 24, 1924..	96,043
Payments in respect of curator's and liquidator's remuneration and law costs to November 24, 1924.. ..	52,409
Cash on hand..	50,700
	$6,496,896

Relative to the above expenditures and for your further information I would state that—

(1) All circulation of the Home Bank of Canada has been redeemed except $113,615 thereof which is still outstanding—as against this outstanding circulation the sum of $103,000 stands deposited with the Dominion government.

(2) Preferred claims outstanding and still unpaid at this date include an amount of $49,916 due to the Dominion government, and $1,140,275 due to the

province of Ontario. The claim of the Dominion government will be liquidated forthwith while payments of aproximately $168,000 were recently made to the province of Ontario.

(3) All borrowings from Canadian banks to permit payment of 25 per cent dividend disbursed to creditors on December 22, 1923, have been fully liquidated, while $3,875,200 deposited with Canadian banks for the purpose of meeting such dividend has all been withdrawn by creditors except to the extent of approximately $100,000 which remains deposited in various banks subject to withdrawal by creditors.

(4) The advances of $226,203 made by the estate in protection of assets have been largely applied to the liquidation of prior liens and the payment of taxes and interest. The sums so advanced are expected to be recovered in full.

(5) Following the suspension of the Home Bank of Canada and until such time as it could be determined whether the bank would be able to resume business or must be wound up, it was necessary to maintain the branches of the Home Bank under control of the board of directors of the bank but subject to the supervision of the curator and within such period, which commenced on August 18, 1923, and ended on October 8, 1923, when the bank was ordered to be wound up, the curator was without power to close the branches of the bank. The pay-roll of the bank at the time amounted to $416,000 per annum and rental charges to $188,000 per annum, and at such rates wages and rents payable for the period amounted to $86,724.

(6) Following the granting of the order for winding up the bank on October 8, 1923, steps were taken by the interim liquidators to reduce the operating expenses, but the heavy burden and expenses could not immediately be avoided due to the necessity of obtaining much essential information. Thereafter, however, the staff was consistently reduced and premises given up until at the present time expenses are at a minimum. Wages of employees, rentals of bank premises and general expenses since the date of liquidation have under the above circumstances amounted to $96,043.

In addition to the information above set forth you have asked that I give you my estimate of what I consider to be the probable realizable value of the assets remaining to be liquidated. You will appreciate that it is very difficult to make such an estimate as a number of the assets are the subject matter of litigation, while amounts likely to be recovered from others are very largely and in some cases entirely dependent upon various contingencies and the future prosperity of the country, I have, however, made a careful computation of what I believe is likely to be recovered, and so far as can humanly be seen, the assets remaining to be realized should produce between $2,750,000 and $3,000,000 as a minimum and $4,000,000 to $4,500,000 as a maximum. Out of the amount so to be realized, however, preferred claims of approximately $1,250,000 have first to be paid, also the costs of important litigation now in force and those incident to liquidation.

In these circumstances unless the improbable shall happen or unexpected success be met with in the realization of the assets remaining, I do not feel that creditors are safe in relying upon the receipt of a further dividend of more than 10 per cent, and then only if the litigation hereinafter mentioned shall be determined in favor of the bank.

Certain legal actions of outstanding importance to the bank are now in force or about to be commenced, and they consist of—

[Mr. Robb.]

(a) Action taken by the liquidators of the bank to compel payment of double liability upon capital stock of the bank where holders thereof deny responsibility.

(b) Action taken by the liquidators against the directors of the Home Bank of Canada for misfeasance.

(c) Actions about to be taken by the liquidators of the bank as a test case to compel the payment of cheques deposited in the bank on the day of suspension, payment of such cheques having been refused by the makers thereof.

(d) Action about to be taken by depositors against the liquidators of the bank in test cases for the return to them of moneys deposited in the bank shortly preceding its suspension, on the ground that the bank was insolvent at the time to the knowledge of its directors and unable to properly receive such deposits.

If the action brought by the liquidators in connection with double liability shall be determined in favor of the shareholders who are contesting the right of the liquidators to recover, the bank will probably require to refund upwards of $250,000 already collected on double liability and it will also lose not less than $250,000 more which could be collected from such shareholders if held to be liable. In the event that the liquidators shall succeed in their action for misfeasance against the directors and also be found to be entitled to payment of the cheques deposited in the Home Bank of Canada on August 17, 1923, the estate will probably recover several hundred thousand dollars from such surces. On the other hand should the bank fail in such actions, my estimate of probable recoveries from the assets of the bank still in hand would be substantially reduced.

In the further event that creditors who made deposits with the bank within a limited period prior to its suspension shall be found entitled to recover the same, the estate of the Home Bank of Canada will probably require to pay between $250,000 and $400,000 to such creditors, and this amount would have to be disbursed out of the estate in priority to dividends to creditors.

Under the above circumstances it must be apparent that it is impossible at this juncture to prepare a statement which will with any degree of definiteness indicate the ultimate result of the liquidation or the amount of dividend still to accrue to creditors. The best estimate which I can give is that with reasonable success met with in the litigation above mentioned a further dividend of upwards of 10 per cent should be payable, but I wish to make it clear to you that this amount would probably be substantially reduced if the litigation above mentioned shall be determined against the bank to any important extent.

Yours truly,

G. T. CLARKSON.

I have in my hand a memorandum that I quite overlooked, that the liquidators have offered to distribute this money without one cent of cost to the depositors or to the government.

Mr. RYCKMAN: In view of that letter I think the amendment is unnecessary. The liquidator is certainly of the highest standing, and there would be no question that he would do exactly what he said he would do.

Mr. ROBB: I am in the hands of hon. gentlemen opposite who raised the issue.

Mr. STEVENS: We simply wanted to make certain of that point. I beg to withdraw the amendment.

Amendment withdrawn.

Section agreed to.

On section 6—Payment to representatives of deceased persons.

Mr. BAXTER: I would suggest to the minister that there be added to this clause—it is not a very good place, but it is as good as any that can be found—language something like this:

No assignment or transfer past or future of moneys to be paid under this act or of the claims under section 3 shall be recognized by the liquidator.

I understand that last night when I was not here there was some discussion in the House in regard to this point, and the intention of the country, I believe, is that such moneys as are given shall be given to the sufferers and that nobody shall make anything by speculating in the claims. The legislation may be all right as it is, but it ought to be emphasized that the liquidator is to deal with the claimants that he finds under section 3 and not with any assignment or transfer from them.

Mr. LADNER: Some objection may be raised to an arbitrary restriction of that kind. It is possible that some people have made assignments for proper considerations, and some discretionary power should rest with the liquidator so that he may be able to accept an assignment of that kind if it is bona fide. To enact a restriction which is entirely prohibitory is liable to embarrass people who are justly entitled to the money.

Mr. BAXTER: I do not think it would have that effect. If some person has unwisely made a transfer it is possible that the court might give relief because of some oppression. But if a man has bona fide bought for a fair consideration, the proposed amendment will not deprive him of anything; when the claimant gets the money from the liquidator he will owe that money to the person to whom he sold.

Mr. LADNER: But suppose he has gone to a foreign country and his whereabouts are unknown?

Mr. BAXTER: I would not have the liquidator deal with anyone except those who are on the books of the bank. If the depositor has left for foreign lands and no one can find him the liquidator will not easily get the money to him. If some one has bought a claim from a dishonest man he may have to face that man's dishonesty; but where an honest man gets the money there is nothing to prevent him from handing it over. I do not want to see the liquidator made the instrument of the transfer.

Mr. ROBB: I was impressed with the argument that every precaution should be taken to make sure that the money would not go to speculators, and I have discussed this question with the officer of the department who has been looking carefully into it, and he shares the view of my hon. friend (Mr. Ladner). He tells me that there have been some perfectly legitimate transfers and he advises that we do nothing to tie them up. But he knows of no case in which there was speculation of any kind. I think my hon. friend from St. John (Mr. Baxter) might very well trust the liquidator to look after this; I am satisfied he will watch it closely.

Mr. BAXTER: I do not care whether the clause is adopted or not; but if the liquidator undertakes to investigate transfers he is adding immensely to his own work.

Mr. ROBB: There are very few of them.

Mr. BAXTER: If there are very few of them they can look after themselves. If on the other hand the liquidator is directed to deal simply with the people who are on the books of the concern, that can in no way invalidate any claim that is against any of those people. It may be that legislation of this character is not necessary at all; I do not know the circumstances, and I do not care whether the clause is adopted or not, but I do not think that the people of Canada would like to have public money disbursed as a reward to speculators. One of the most unpleasant things we have witnessed in many years occurred after the South African war when parliament gave certain land scrip to men who had served in that war. At that time the speculators bought up this scrip for a tithe of its value and the country really made a present to them rather than to the soldiers whom it was intended to help. Possibly there is no danger of that kind in this connection. If the minister is of this opinion he may put through the legislation, so far as I am concerned.

Mr. LADNER: There is nothing in the bill to prohibit the liquidator from paying to a person acting under power of attorney. An attorney under power of attorney has every right to receive the money and give proper discharge. In the case of any transaction already completed, where an assignment has been made in a bona fide manner and for a

proper consideration, it seems to me wrong in principle for parliament now to interpose a retroactive prohibitory clause such as is suggested here.

Mr. ROBB: With the assurance that the liquidator will watch this provision carefully, perhaps my hon. friend (Mr. Baxter) will withdraw his amendment.

Mr. BAXTER: I have not yet formally moved an amendment, and if the minister does not want it I will not press it. I do not agree with my hon. friend (Mr. Ladner), for the reason that the money that parliament provides is not something to which any of these people have a right. They had nothing to assign except a chance of getting some small percentage from the bank, and it is possible that assignments may have been made on the basis of what the assets of the Home Bank would render. To that the assignee is entitled and he should get it. I am not saying that anything should be invalidated, but I do say that a man who perhaps bought a possible five per cent dividend should not be entitled to receive a one hundred per cent dividend on money which otherwise would be adequate for securing only five per cent. If the minister wants to leave that possibility open he can do so and take the responsibility; I have only been suggesting what would help to make the legislation perfect. Possibly the minister does not want the legislation to be complete and I will not force on him the suggestion I have offered.

Mr. CHURCH: I think the minister should submit to parliament, before this bill becomes law, a complete list of the 60,000 odd depositors, together with other information of that character showing to whom, where and in what manner this money, amounting to nearly $6,000,000, will be distributed. Part of the stock, I understand, was sold by one Daly and distributed out west. The minister has the report of the liquidator, Mr. E. R. C. Clarkson, showing who the 60,000 depositors, are and the country is entitled to know how many deposits there are of over $10,000 and the names and how many under that sum and so on. The public should be satisfied that nobody is being discriminated against for the benefit of others. Further, what assignments and hypothecations have been made?

Mr. ROBB: So far as I know there are very few assignments. The intention is that the money shall be paid out to the depositors. The committee has discussed for half an hour measures to prevent speculators from getting the funds of the depositors; and while there is no one whom I would rather please than my hon. friend (Mr. Church), it must be obvious that if I granted his request and gave the information for which he asks it would simply enable the speculators to find out who the depositors are, thus serving their purpose. It is not in the public interest to do this.

Mr. CHURCH: Did not the liquidator give the Acting Minister of Finance, before the bill was prepared, a list of the depositors, the amount of money deposited, the sums over and above $10,000, and the number of assignments that had been made?

Mr. ROBB: There is no reference to any assignment.

Section agreed to.

Section 7 agreed to.

Bill reported.

SUPPLY

TRADE AND COMMERCE

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

Mail subsidies and steamship subventions—Pacific ocean—Canada and New Zealand on the Pacific ocean, service between, $100,000.

Hon. T. A. LOW (Minister of Trade and Commerce): Mr. Chairman, this subsidy is the same as last year. The contract is for five years, the payments are monthly and there is a monthly service. Our imports from New Zealand last year amounted to $2,331,185, against exports of $12,888,672. The contract is with the Union Steamship Company of New Zealand.

Mr. GARDINER: How long has this contract to run?

Mr. LOW: Until the end of March, 1929.

Mr. GARLAND (Bow River): What is the income of the private steamship line to which the subsidy has been paid?

Mr. LOW: We receive the statements in confidence and are not supposed to reveal their contents.

Mr. GARDINER: You are not supposed to tell too much?

Mr. LOW: No, unless you are commanded to do so by a special committee of the House.

Mr. GARLAND (Bow River): Mr. Chairman, I do not wish the minister to break any confidence, but may I suggest that we are here as trustees of the people, and are being asked to again vote a large subsidy to a private steamship firm. The minister is unwilling, —and I do not blame him in this case—to

give information as to the net or gross earnings of this company. The company may not need any subsidy at all, it may be carrying on a very profitable trade indeed. How much of this subsidy is for trading purposes, and how much for the carriage of mails?

Mr. LOW: The Post Office Department informs us that the service is worth about $68,000 a year to the department.

Mr. GARDINER: How many boats are on this service, and what is their tonnage?

Mr. LOW: There are two boats, one of 13,000 tons and the other of 22,000 tons.

Mr. CALDWELL: Has the government any control of rates on these boats; how is it exercised; and what have been the customary rates on account of the subsidy?

Mr. LOW: The government have control of the rates. Any company receiving a subsidy submits its rates to the department for approval.

Mr. GARDINER: How do the rates compare with the Conference line rates?

Mr. LOW: The subsidy is paid for the purpose of securing a regular service between Canada and New Zealand, and also for the carriage of the mails.

Mr. GARDINER: The minister stated a moment ago that he controlled the rates. How do the rates on this line controlled by him compare with the Conference rates?

Mr. LOW: I understand that the same rates are charged from all Pacific coast ports. If there are any complaints as to the rates, we investigate them.

Mr. GARDINER: Then the minister to all intents and purposes does not control the rates?

Mr. LOW: The sanction of the department is required to the rates. From this subsidy the Post Office department benefits to the extent of $68,000, and we also have a regular passenger service.

Mr. GARLAND (Bow River): Mr. Chairman I take exception to the last statement. I confess the minister is very adroit. A moment ago his deputy gave him information, and he answered a question of mine to the effect that the mail service was worth $68,000 to the Post Office Department. But will he tell the committee now the cost of handling the mail?—not what it is worth to the Post Office Department; We want to know the cost of transporting that mail.

Mr. LOW: We have only the statement of the Post Office Department.

Mr. GOOD: Does that mean that the mail is carried free?

Mr. LOW: Yes.

Mr. WOODSWORTH: Even putting it at $68,000, that still leaves $32,000 for services to the country. We have no information before us that this service would not be rendered if we did not pay the subsidy. I cannot see that a company which asks for or accepts a subsidy can claim that its business is private business; it seems to me it is the business of the public. I take it that the only reason for the paying of a subsidy to a particular industry or a particular steamship line is that some service is rendered which would not otherwise be rendered, and we cannot tell that until we have the full facts before us. Parliament has no right to endorse such a proposition as this without having all the facts. We pass these things as a matter of course every year, and the people at least in our section of the country are getting tired of this kind of thing and are demanding that the public should have fuller information before these grants are made so lavishly.

Mr. LOW: This is the only passenger service between Canada and New Zealand, and if we cut off the subsidy we might not have a regular passenger service.

Mr. WOODSWORTH: The minister says we "might not have", but he does not bring forward any proof that we would not have.

Mr. STEVENS: The question of the hon. member (Mr. Woodsworth) is a perfectly reasonable one. This is a competing service with the service from San Francisco to New Zealand and Australia, and without doubt if the subsidy were withdrawn the service would be discontinued. According to information I have received from time to time, even including the subsidy this service has never been what you might call a paying service; the earnings, if I remember aright, are around five per cent including the subsidy. The service rendered to Canada consists of several things. First, it is the mail service, which is of vital importance to the business men of Canada as well as to the people generally. Second, it provides a passenger service. Now, the passenger service is of far more importance to Canada than is involved in merely taking Canadian passengers from New Zealand, because it gives to our railways, the Canadian National and the Canadian Pacific, a large

part of the through traffic from Great Britain across Canada to New Zealand. This line is more popular for that class of business than the San Francisco line, and the consequence is that a large number of Australian and New Zealand business men are constantly passing through Canada both ways, using these vessels. During the past year a larger vessel and improved passenger service have been put on, largely to take care of this British traffic, and the advantage to Canada will be very great. We sell to New Zealand and to Australia a very much larger amount of goods than they sell to us, and, this trade we have built up largely through this service from our Pacific ports, established some years ago. These are, offhand, some of the advantages that accrue to Canada because of this subsidy. In my estimation—and I say this with a good deal of caution—this subsidy is well warranted and pays Canada a handsome return.

Mr. GOOD: How many of the Canadian Government Merchant Marine ships are engaged in business between the Australasian countries and our Pacific ports?

Mr. STEVENS: The minister will pardon me if I give a little information; local knowledge perhaps gives me a little advantage in that regard. The Canadian Government Merchant Marine ships are cargo ships, largely carrying paper, machinery and the like from Canada to the Orient, and very often they go under ballast to Singapore or Hong Kong and take cargo from there to a United States port, or part to Canada and part to the United States. These vessels which are
5. p.m. subsidized run directly from the Canadian port to the New Zealand ports; there is no competition between the two. We have quite a number of Canadian Government Merchant Marine ships on the Pacific, but they do not run always to the same ports; they are directed wherever the cargo is most available.

Mr. GARLAND (Bow River): How many passengers were carried last year?

Mr. LOW: In 1924, 7,318; 3,534 in and 3,784 out.

Mr. GARLAND (Bow River): What is the speed of these boats, and how many passengers can each of them accommodate?

Mr. LOW: The speed is eighteen knots. Each boat is capable of carrying 800 passengers.

Mr. McQUARRIE: There can be no doubt that the service rendered by this line is a very splendid one considering the number of passengers it has been receiving. I had the privilege recently of taking a trip on one of these ships, and I can commend very highly the service given. It would be a great mistake to do away with the subsidy and cause this line to take off the ships running from Canada to New Zealand and Australia and thus compel the people on the Pacific coast, and others who make that voyage, to go to San Francisco or other American ports. There is a subsidy to a line between eastern ports and South Africa, but there is no subsidy for a service from the Pacific coast ports to South Africa. A great deal of business which is now going elsewhere could be done by Canada with South Africa if there was a subsidized line between western Canadian ports and that country. I believe a subsidy is well invested if we can show that it has the effect of increasing business. I am strongly in favour, therefor, of this subsidy being continued. I consider that this steamship company is doing good work and that the service rendered is of great advantage to Canada.

Mr. LOVIE: There are two questions I would like to ask which apply pretty well to every item here. They are, on what basis is the subsidy fixed, and who fixes it?

Mr. LOW: The subsidy is fixed by agreement between the contractor and the government.

Mr. GARDINER: Is that the only basis?

Mr. LOVIE: I asked how the subsidy was arrived at, what was the basis.

Mr. LOW: There is no fixed basis. We try to come to an arrangement in order to secure the very best service at the lowest possible cost.

Mr. MILLAR: Is it customary to call for tenders in these matters?

Mr. LOW We call for tenders in nearly all cases.

Mr. LOVIE: In arriving at the subsidy, do you take into consideration whether the boat is carrying a heavy load, whether it carries valuable freight, whether it is over-manned or not? Just what is taken into consideration in arriving at the subsidy?

Mr. LOW: We consider the service to be performed. The company submits an annual financial statement to the department, and if we are of the opinion that the contractor is not in need of the full amount of the subsidy, we reduce it, as I have reduced many subsidies since I took over the department.

Mr. LEWIS: Are tenders called for each year?

Mr. LOW: In this case, there is a five-year contract.

Mr. WOODSWORTH: I just want to state a little more clearly my objection. It is not to this particular service; I think the hon. member for Vancouver Centre (Mr. Stevens) made out a very good case probably with regard to the need of this particular line. But I think it is anomalous that we in this House should be asked to take the word of the hon. member for Vancouver Centre that the company pays about five per cent as a basis on which to render a decision in this matter. I am not doubting the word of the hon. member, who probably in this respect is very well informed, but I am saying that that information ought to come from the minister, and come officially. We ought to know the basis on which we are working. As it is to-day, so far as we are concerned, it is purely an arbitrary amount the minister fixes with the company. If we are to be asked to give an endorsation of any proposition of this kind we ought to have very definite information as to the service rendered and as to the revenues of the company. When we suggest here something in the form of restriction, we are told we must not have paternalistic legislation. I would suggest that this is paternalistic with a vengeance if we are to give here, there, and yonder, to various enterprises subsidies to foster their business when we have not the slightest information as to the necessity for so doing.

Mr. LOW: I would have no objection to showing any member of the House the financial statement of these companies in private, but I do not think it would be fair to the companies to present to the House the financial statements of their business.

Mr. WOODSWORTH: Would the minister be willing to allow these estimates to come before a committee in some such way as the railway estimates have been dealt with in the last two years, where they might be more or less freely discussed?

Mr. KELLNER: We are told that there is a treaty coming with Australia. Might that not offset the need of this subsidy on this particular route?

Mr. LOW: The treaty is not before the House yet. When it does come before the House we may find that perhaps it may be necessary to improve the service.

Mr. STEVENS: If you withdraw this, you would have to pay for the carriage of the mails in any case.

Mr. GARLAND (Bow River): What was the total cost of this subsidy to the Dominion from the commencement?

Mr. CALDWELL: While the minister is getting that information, would he tell us the name of the company that performs this service, and whether it is a member of the North Atlantic conference.

Mr. LOW: It is the Union Steamship Company of New Zealand. I understand they are not members of the North Atlantic conference.

Mr. GARLAND (Bow River): Are they members of the Pacific conference?

Mr. LOW: I understand not. Since 1914 up to the end of 1924 there has been paid under this contract $1,620,184.

Mr. GARLAND (Bow River): Was the service first inaugurated in 1914?

Mr. LOW: The service was inaugurated in 1904, but we have only the records here from 1914.

Mr. GARLAND (Bow River): Would the minister have any objection to getting those figures for me?

Mr. LOW: Not at all.

Item agreed to.

Victoria and San Francisco, steam service between, $3,000.

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

The CHAIRMAN: It cannot be struck out. It can be reduced by amendment.

Mr. GARDINER: What is the explanation of this vote?

Mr. LOW: This is a service that was agreed to in 1871, when British Columbia came into confederation. Part of the arrangement made at that time was that we would establish a service to San Francisco.

Mr. LEWIS: I would ask the hon. member for Cariboo to give his reasons why this item should be struck out.

Mr. LOW: The hon. member has spoken to me several times about dropping it, but we are informed by the Justice department that it cannot be dropped without the legislature of British Columbia first passing an act relieving

us. In the meantime I would suggest to the hon. member that the item be allowed to stand in the estimates, and if the legislature of British Columbia puts that act through, we will not pay over the subsidy.

Mr. FORKE: Is this arrangement incorporated in the British North America Act?

Mr. LOW: It is by arrangement.

Mr. GARDINER: Does the legislature of British Columbia propose to pass this legislation?

Mr. LOW: It is proposed by the Department of Trade and Commerce. We thought we could save this $3,000, which is only a trifle in the earnings of the company, which is making money. We thought we could drop it, but we found from the Justice department that the only way in which that could be done would be for British Columbia to first pass an act relieving us from this necessity.

Mr. GARDINER: Has the matter been referred to the provincial government? And what was their reply?

Mr. LOW: Yes. They are going to pass an act.

Item agreed to.

Victoria and West Coast Vancouver Island—steam service between, $15,000.

Mr. LOW: This is a service between Vancouver and the west coast of Vancouver island. The contractors are the Canadian Pacific Railway Company. The contract is for one year, for three complete round trips each month, with the usual clause that the mails be carried free.

Mr. GARDINER: Both freight and passenger service?

Mr. LOW: Yes.

Mr. WOODSWORTH: Were tenders called for in this instance?

Mr. LOW: The Canadian Pacific Railway has been running this service for many years and the contract has been renewed from year to year.

Mr. WOODSWORTH: When were the last tenders called for?

Mr. LOW: My official tells me that the Canadian Pacific Railway has had the contract for about ten to fifteen years at least. If the service is satisfactory and we believe the company is not making a large profit, we renew the contract from year to year.

[Mr. Low.]

Mr. GARDINER: Has the minister any information as to the profits the company are making?

Mr. LOW: They submit a statement that they are not making any profit on this service.

Mr. GARDINER: That is unusual.

Item agreed to.

Vancouver and Northern ports of British Columbia—steam service between, $24,800.

Mr. LOW: The contractors are the Union Steamship Company of British Columbia. The contract is for one year and the services are regular sailings throughout the year, two calls at each port weekly, and the usual clause for carrying mails free.

Mr. GARDINER: Is the service profitable to the company which has the contract?

Mr. LOW: This company is making a small profit according to their statement.

Mr. GARDINER: What would the minister term a "small" profit?

Mr. LOW: Four or five per cent I think would be a small profit.

Item agreed to.

Baddeck and Iona—steam service between, $10,500.

Mr. LOW: This service is performed between Baddeck and Iona on the Bras d'Or lakes. The contractors are the Baddeck Steamship Company. The contract is for one year, two round trips daily except Sunday during the open season.

Item agreed to.

Charlottetown, Victoria and Holliday's wharf, steam service between, $4,000.

Mr. LOW: The contractors for this service are the Charlottetown Steamship Company, and the contract is for one year. This contract has been in existence for sometime and renewed from year to year.

Mr. WOODSWORTH: Does that mean it goes on indefinitely, without any reason for its renewal? Are no tenders called for? Have they a permanent hold on the contract?

Mr. LOW: As long as the service is satisfactorily performed by the contractor and the department is of the opinion that the contractors are not making too much profit, say four or five per cent, we renew the contract for year to year.

Mr. WOODSWORTH: Does the minister mean to say there is not more than four or five per cent being made by this company?

Mr. LOW: This company, according to their statement, made a profit of two and a half per cent.

Mr. LEWIS: It would save a lot of questioning perhaps if the minister could make a statement covering these items. Has the minister the general information with regard to every one of these items which seems to be satisfactory to the department, and is the amount of the contract based upon that service?

Mr. LOW: Yes we have that information.

Item agreed to.

Grand Manan and the Mainland—steam service between, $20,000.

Mr. STEVENS: There was an increase in the subsidy last year, based upon an improved service. Will the minister give us the name of the vessel used in this service, the company operating it and the service rendered?

Mr. LOW: This contract has only been renewed for six months. We called for tenders last year and this was the lowest tender. We have been requested to put on a better service, and we have again called for tenders this year. There was one tender this year from the same company, for the same amount.

Mr. STEVENS: Will the minister give us the name of the compnay and the name of the boat?

Mr. LOW: The Grand Manan Steamboat Company, the names of the steamer is the Grand Manan.

Mr. SPENCE: How many boats has that company for this service?

Mr. LOW: Just the one boat.

Mr. SPENCE: Have you any other boats?

Mr. LOW: No.

Mr. STEVENS: Is this not the company that was to put on a new vessel last year for this particular service, and was a new contract not entered into for the purpose of meeting that demand?

Mr. LOW: My hon. friend must be mistaken.

Item agreed to.

Halifax and bay St. Lawrence, steam service between, $2,400.

Mr. LOW: This service is performed by the Mayflower Shipping Company. The contract is for one season, during the season of navigation, and it contains the usual clause for the carrying of mail.

Mr. GARDINER: Is there any real necessity for this subsidy?

Mr. LOW: Including the subsidy this company made a profit of slightly over $1,000. If the subsidy were cut out, they would have made a loss of around $1,400.

Mr. GARDINER: Under those circumstances, it seems to me that this service is not required if there is such a small amount of business. I will move that item 174 be struck out.

The CHAIRMAN: It cannot be struck out, because that is a negative vote. It may be cut down, leaving a dollar or two.

Mr. LOW: It is the only communication between Halifax and these ports.

Mr. KELLNER: In regard to your ruling, Mr. Chairman, I would like to call your attention to Bourinot at page 427. As regards discussion in committee of supply, he says:

But any motion to reduce a grant, or to strike it out of the estimates altogether, will be always in order.

I hardly understand what that statement means if your ruling is correct.

The CHAIRMAN: I do not intend to make any further explanation than this, that a vote may be reduced to an amount leaving a part of it, by an amendment to cut it down, or there may be a number of items in one vote that will be reduced by striking out certain items in it and reducing the general amount. But the whole vote cannot be struck out by an amendment because that is a negative vote, and a vote can be taken on the resolution. Any hon. member can ask that a vote be taken on the resolution.

Mr. GARDINER: I do not question your ruling personally, but in view of the statement made by the hon. member for East Edmonton, (Mr. Kellner) read from Bourinot, it would seem that, perhaps, your ruling is not quite well taken.

The CHAIRMAN: I have ruled. If the hon. member wishes to appeal against it—

Mr. GARDINER: In view of the statement which was read from Bourinot—

The CHAIRMAN: That has not any application to an item of supply of this character.

Mr. GARDINER: Would you care to cite the authority?

The CHAIRMAN: I am citing the authority now. The authority I am giving is the authority that I say that the citation given

by the hon. member for East Edmonton can be qualified and distinguished. I am saying that it does not apply in this case. If it is the desire of hon. members that a vote should not pass they can vote against it. You cannot have an amendment that is a complete negative. The machinery that is provided is a vote that this shall not carry. There is not provision for an amendment that this vote be struck out in its entirety.

Mr. LEWIS: Is this a necessary mail service?

Mr. LOW: It is a freight service.

Mr. MILLAR: In connection with this vote and any others, could the minister read us the information actually gathered, as to service rendered, the quantity of freight handled and so on? If this is passed over lightly, it may be that some subsidies are granted year after year after the services have entirely ceased.

Mr. LOW: The number of tons carried last year was 1,520 tons. They performed six round trips.

Mr. GARDINER: I rise to a point of order. I have here a copy of Bourinot and I read from page 427:

> The committee of Supply cannot increase a grant which has been recommended by a message from the Governor General. It is also irregular to increase any item in a resolution. But any motion to reduce a grant, or to strike it out of the estimates altogether, will always be in order.

Does that not refer to the committee of the Whole when we are in Supply?

The CHAIRMAN: What I say is this, that by an amendment this vote can be reduced to practically nothing—a dollar left. The other machinery that is provided is for a vote to be taken that this vote do not carry, and it can be struck out of the estimates by that particular machinery. But it cannot be struck out by an amendment to strike it out. That must be done by a vote of the committee that it do not now pass.

Mr. GARDINER: The question seems to be whether Bourinot is correct or not.

The CHAIRMAN: It is not a question whether Bourinot is correct or not, and the hon. member knows it; it is simply a case of reflection on the ruling of the Chair.

Mr. GARDINER: No. I am quoting from Bourinot.

The CHAIRMAN: The hon. member can call for a vote on this item, and if the vote is lost, the item may not pass.

[The Chairman.]

Mr. GARDINER: I am more particular in regard to this matter in order to know exactly where the House stands as regards rules and regulations, whether we are going to follow authorities like Bourinot or from what source we are going to take our authority.

The CHAIRMAN: The hon. member's course is to appeal from the ruling of the Chair.

Mr. GARDINER: That is the point at issue.

Item agreed to.

Halifax, South Cape Breton and Bras d'Or lake ports —steam service between, $5,000.

Mr. WOODSWORTH: It is very difficult for those of us who are not familiar with the details of the coast line to understand all these services; but there are a great many, and according to the information supplied to the minister some of the lines are not paying. Has any general survey been taken as to the actual needs of the coast services at the present time? I believe, since some of the lines were first established, railroad connections have been made, and we now have traffic by automobile and in other ways. Has there been in recent years any definite general survey by the department to find out the actual traffic needs up and down the coast of Nova Scotia?

Mr. LOW: We have an inspector living in the Maritime provinces who makes one trip each year in connection with each service and reports to the department regarding the needs, and so forth.

Item agreed to.

Mulgrave and Canso—steam service between, $13,500.

Mr. STEVENS How long has this contract been in force?

Mr. LOW: The contractors are Messrs. Hugh Cann & Son, Ltd., of Yarmouth, and the contract is for one year. They got the original contract about ten years ago. It is renewed from year to year.

Mr. SPENCE: Do they carry both freight and passengers?

Mr. LOW: Yes.

Mr. SPENCE: Why not give us the details? We are giving away a lot of money for nothing. Soon you will have to come to the rescue of business men and pay their indebtedness when they cannot make ends meet, if you are going to give assistance to every steamship line that wants money.

Mr. LOW: They make 302 trips. they carry 3,676 passengers, 3,426 tons of freight and 5,894 bags of mail.

Mr. SPENCE: Do the passengers pay any fare at all or the merchants any freight, or are we paying the whole thing?

Mr. LOW: Oh, no, the passengers pay their fare.

Mr. SPENCE: Why not make the company charge more?

Mr. LOW: My hon. friend knows—

Mr. SPENCE: The minister need not try to blame those who preceded him; he is in the office now.

Mr. LOW: My hon. friend anticipated what I did not intend saying.

Mr. SPENCE: Two wrongs do not make a right, you know.

Mr. LOW: I was not going to argue anything of the kind at all; I simply wanted to point out that there is no railway service to supplement this one.

Item agreed to.

Mulgrave and Guysboro, calling at intermediate ports —steam service between, $9,500.

Mr. STEVENS: Two years ago this vote was $7,500. What is the reason for the increase?

Mr. LOW: It was increased in 1922 because the contractors informed the department that they could not carry on the service at the figure they were then receiving and that they would have to discontinue.

Mr. MILLAR: Did the inspector make a report in that connection?

Mr. LOW: This is a new concern this year; the company that had the contract last year went bankrupt.

Mr. LOVIE: What are the inspector's duties in relation to these subsidized ships?

Mr. LOW: The inspector travels on the ships and reports upon the services being performed, the passenger and freight traffic, and so on, and he checks up the statements of the companies.

Mr. LOVIE: Do they ever observe whether any of the ships are over-manned or not?

Mr. LOW: The company would take care of that; they would not want to carry more help than was necessary.

Mr. LOVIE: It is not more than two weeks since a group of the members in this part of the House took a trip from Pictou to Charlottetown on a boat that was not at all large. In conversation with a man on the wharf at Charlottetown the day after our arrival there I was informed that there were twenty-two of a crew, and that seemed a large number to me. I questioned him on this point and he said that half a dozen men were sufficient but seeing that the ship was subsidized it really did not matter.

Mr. DUFF: Was that the Hochelaga?

Mr. FORKE: Yes.

Mr. DUFF: Anybody who told my hon. friend that the Hochelaga could be manned by six men ought to go into the backwoods of Prince Edward Island and hang himself. Twenty-two men are not an adequate complement for that steamer. The Hochelaga is owned by a Jew and I have never heard of any Jew anywhere who would employ too many men.

Mr. LOVIE: I was only stating the information that was given me.

Mr. DUFF: It was not very reliable.

Mr. LEWIS: Is there not a board of trade regulation requiring that there shall be a stated minimum crew? There is in the Old Land.

Mr. LOW: I do not think there is in this country.

Mr. GARLAND (Bow River): Is it not a fact that according to an act of this parliament a certain number of seamen must go with a ship of a certain size?

Item agreed to.

Newcastle, Neguac and Escuminac, calling at intermediate points on the Miramichi river and bay—steam service between, $4,000.

Mr. GARDINER: How does the minister account for the reduction this year? A reduction is something so unusual that an explanation would, I am sure, be appreciated.

Mr. LOW: A smaller steamer was put on and we felt that the subsidy should be reduced.

Item agreed to.

Pelee island and the mainland—steam service between, $11,000.

Mr. LOW: The contract for this service is with the Windsor and Pelee Island Steamship Company and is yearly. Six trips a week are made during the season of navigation, and they carry mail.

Mr. SPENCE: Are tenders always called for in connection with these subsidies?

Mr. LOW: Not if the contractor is giving satisfaction.

Mr. SPENCE: Does the minister object to a lower tender simply because the other fellow is giving satisfaction?

Mr. LOW: In that case we would reduce his subsidy.

Mr. SPENCE: The man giving the lowest tender should get the contract.

Mr. LOW: If we felt the service could be performed at a lower figure, and some responsible person made an offer, we would ask the contractor to reduce his figure.

Item agreed to.

Pictou, Murray harbour, and Georgetown—steam service between, $4,000.

Mr. GARDINER: Is this service performed under contract?

Mr. LOW: Last year only $3,500 was spent out of the amount voted, and we accordingly reduced the estimate this year to $4,000. The contractor is J. W. Smith of Pictou, and his contract is for one year.

Mr. FORKE: Does it include mail service?

Mr. LOW: Yes.

Mr. FORKE: What other service would be performed along the coast?

Mr. LOW: They made twenty-one trips and carried 290 tons of freight.

Mr. FORKE: Is there no railway connection between these places?

Mr. LOW: No.

Mr. GARDINER: What is the contract price this year?

Mr. LOW: It is $4,000.

Mr. GARDINER: Why is it costing $500 more this year?

Mr. LOW: We put on only a temporary service last year.

Item agreed to.

Pictou, Mulgrave and Cheticamp—steam service between, $11,000.

Mr. STEVENS: This vote has been increased; it was $7,500 in 1922-23. What is the reason?

Mr. LOW: In 1922 we called for tenders, and the contract was awarded to the lowest tenderer. It is for one year during the season of navigation.

Mr. STEVENS: Was a larger vessel put on than under the previous contract?

Mr. LOW: The company refused to run the service any longer under the old contract, and we simply had to call for new tenders.

Mr. SPENCE: Is the same company getting $11,000 now?

Mr. LOW: Yes.

Item agreed to.

Port Mulgrave, St. Peter's, Irish Cove and Marble Mountain, and other ports on the Bras d'Or lakes—steam service between, $10,350.

Mr. STEVENS: Here is another large increase over a few years ago. Is this a repetition of the situation in the last case, or is there an improved service? Is it not possible to cut these contracts back to where they were before, in view of the reduction in costs during the last year or two?

Mr. LOW: The contractors made a loss on the operation of this service, and refused to continue it at a lower figure.

Mr. GARDINER: Was any effort made to get another contractor to undertake the work at the old figure?

Mr. LOW: Yes, but there was no other boat available.

Item agreed to.

Pictou, Souris and the Magdalen islands—steam service between, $50,000.

Mr. STEVENS: Here is an increase of over double, from $24,000 to $50,000. This, if I recall rightly, is the case where there was supposed to be a new boat building. Will the minister now give the committee particulars of this service, including the name of the company operating it, the date of the contract and the amount of increased business done over that of 1922?

Mr. LOW: This service was performed in 1921, 1922 and 1923 by the steamer R. W. Henry, operated by the Magdalen Transportation Company, Limited, of Pictou, Nova Scotia. The R. W. Henry, however, which had been accepted in 1921 before construction had been completed, was found to be unsatisfactory for the service, not being what the contractors had represented when they were tendering for the service. At the end of 1922, therefore, the contract was concelled and further tenders were called for. The R. W. Henry, however, was still the only boat offering which was in any way adapted for the service, and it had to be accepted for

the season 1923. During 1923 tenders were again called for, and by order in council of August 17, 1923, the tender of William Fraser, Pictou, was accepted at a subsidy of $50,000 for ten years. The other two boats offering which would have been suitable for the service also asked for $50,000. The R. W. Henry was again offered, but in view of the unsatisfactory service and her lack of proper passenger accommodation she could not be considered. Mr. Fraser's tender was adjudged to be the most satisfactory, and was accepted. Construction of a new steamer, the Lovett, was commenced in Scotland in October, 1923, and although her completion was delayed by shipbuilders' strikes, the service was commenced on July 14, 1924, She has been very strongly constructed to withstand the heavy weather encountered in the gulf and also to run through light ice. She has ample passenger and freight accommodation to take care of the Magdalen islands trade. Our inspectors report that the islanders are very well satisfied with her, and consider that she is the best boat that has ever been on the service.

Mr. STEVENS: What business is offered on that route?

Mr. LOW: In 1924 sixty-seven trips were made, 2,025 passengers were carried, 4,164 tons of freight, 3,399 bags of locked mail and 2,299 tied sacks. I might say that the islands are isolated for six months. They have a population of seven thousand.

Mr. SPENCE: What is the minister's conscientious opinion about this contract for ten years? Does he not think $50,000 is an excessive price, particularly in view of the term of the contract? I should like to know what he really thinks about it himself.

Mr. LOW: I thought of these poor people cut off for six months in the year and I really felt it was the duty of parliament and the people of Canada to give them the very best service.

Mr. SPENCE: I am not objecting to that. Why is this service provided for ten years?

Mr. LOW: In order to get a proper boat and a good service. We called for tenders.

Mr. SPENCE: You thought it was good business?

Mr. LOW: Yes.

Mr. GARDINER: Is this a new boat in the service?

Mr. LOW: Yes.

Mr. GARDINER: What was the approximate cost of the boat?

Mr. LOW: About $300,000.

Mr. GARDINER: Is there any information as to the total income they receive from the running of the boat?

Mr. LOW: The statement shows last year a profit of between three and a half and four per cent.

Mr. SPENCE: Is there any check-up of the overhead—of the amount of coal for instance—used in these vessels? Is there any means of seeing that the overhead is not put at too great a figure so that they can demand a large subsidy?

Mr. LOW: We check up the vouchers of payments for coal.

Mr. MARCIL (Bonaventure): I would like to put in a word in favour of this subsidy. I have had the pleasure of visiting these islands in former years and I am familiar with their situation. They are a day and a night's journey from Pictou on the Mainland of Nova Scotia. There are 7,000 people on the island, and they are entirely cut off from communication for six months in the year. Politically they belong to the province of Quebec and the constituency of Gaspe; for ecclesiastical purposes they form part of Prince Edward Island. It is interesting to note that the Magdalen Islands are the only part of Canada where United States and Canadian fishermen are on the same footing. The United States fisherman is allowed to go inside the three mile limit at the Magdalen Islands take on his provisions and supplies, and fish on an equality with the Canadian fisherman, so that our people there sustain themselves in competition with that business from the United States. The boat was not at all what it should be The present company went to the expense of having a special boat built in Scotland and I have heard it stated by a resident of the island that the service is now eminently satisfactory. In view of the geographical situation of the island, without any railway, without any other means of communication with the outside, it would seem that they are entitled to a decent service.

Mr. SPENCE: Does the hon. member think we are getting value for the money we are paying in this subsidy?

Mr. MARCIL (Bonaventure): I had the pleasure of leading a deputation of people

from the Magdalen Islands last session, made up of clergymen, business men and others, and they assured me that they now have the best service they have ever had to the Magdalen Islands.

Item agreed to.

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

After Recess

The House resumed at eight o'clock.

PRIVATE BILLS

CONCRETE SURFACING MACHINERY COMPANY PATENT

The House in committee on Bill No. 20, respecting a patent owned by the Concrete Surfacing Machinery Company—Mr. Church—Mr. Gordon in the chair.

On section 1—Commissioner may restore patent or dismiss application.

Mr. CAHILL: Is there any person here to explain the bill, the promoter or anyone else?

The CHAIRMAN: This bill has been reported from the committee on Miscellaneous Private Bills. Section 2 has been struck out by the committee.

Section agreed to.

Bill reported, read the third time and passed.

CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 98, for the relief of Jacob Edward Thuna.—Mr. Garland (Carleton).

Bill No. 141,for the relief of James Hooper Robins.—Mr. Clifford.

Bill No. 152, for the relief of Kathleen Mary Ricketts.—Mr. Stansell.

Bill No. 153, for the relief of Mary Alina Marguerite Peat.—Mr. Duff.

Bill No. 154, for the relief of Sadie Dennis.—Mr. Sheard.

Bill No. 155, for the relief of Isabel Davidson.—Mr. Bowen.

Bill No. 156, for the relief of Jacob Ross —Mr. McMaster.

Bill No. 157, for the relief of John Delbert Boddy.—Mr. Stewart (Leeds).

Bill No. 158, for the relief of Edward Hugh Reid.—Mr. Ladner.

Bill No. 159, for the relief of Sidney Charles Simmons.—Mr. Clifford.

Bill No. 161, for the relief of Harriet Elizabeth Couch.—Mr. Clifford.

Bill No. 162, for the relief of Margaret Helen Strickland.—Mr. Hocken.

Bill No. 163, for the relief of John Henry North.—Mr. Duff.

Bill No. 165, for the relief of Mary Jane Apedaile.—Mr. Sheard.

Bill No. 166, for the relief of Cecil Donnelly, —Mr. Ladner.

SECOND READINGS

Bill No. 173, for the relief of Samuel James Connor.—Mr. Church.

Bill No. 174, to change the name of "The Dominion Woman's Christian Temperance Union" to "Canadian Woman's Christian Temperance Union."—Mr. Raymond.

Bill No. 175, for the relief of Andrew Toulouse.—Mr. Church.

Bill No. 176, for the relief of Albert Plue Jessop.—Mr. Duff.

Bill No. 177, for the relief of Cecil Hunter. —Mr. Maclean (York).

SUPPLY

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

Mail subsidies and steamship subventions—local services—Quebec, Natashquan and Harrington, and other ports on the north shore of the gulf of St. Lawrence, steam service between, $85,000.

Sir HENRY DRAYTON: What changes have been made since 1921-22 in the service which the public gets, and what is the justification for the $35,000 increase?

Hon. T. A. LOW (Minister of Trade and Commerce): This contract is with the Clarke Steamship Company and there is no railway or means of communication on the north shore other than by these steamers. This coast is entirely isolated during the winter months, and it is necessary to have a fully, adequate service during the summer months, so that the business of the coast may be transacted and the people get in their supplies and ship out their fish, oils, et cetera, during the summer season. The north shore of the St. Lawrence is capable of considerable development, provided that an adequate and regular service of steamers is maintained. These steamers also provide the only mail transportation for this coast and this subsidy includes the carriage of these mails. The industries comprise extensive lumbering and fishing operations, and the possibilities of mineral development are good. The north shore service extends to the eastern limit of the Canadian territory, and it has opened up trade with points on the extreme coast of the Canadian Labrador, which never had a steamship connection with Canada before, and whose

people dealt practically altogether with Newfoundland instead of with Canada. This service has linked up this Canadian territory with the rest of Canada, as it should be.

Sir HENRY DRAYTON: What have we got out of that new trade? What is the development?

Mr. LOW: I have not that separately. A total of thirty-four trips was made during the season. The number of passengers carried was 5,622 and the number of tons of freight, 5,159. The number of locked bags of mail was 1,971 and the number of tied sacks, 5,822. The round trip which is made weekly covers a distance of 1,600 miles.

Sir HENRY DRAYTON: What is the rate charged by the company for the transportation of first-class passengers?

Mr. LOW: To the furthest limit, Bras d'Or, $75 for the round trip.

Sir HENRY DRAYTON: I do not think Bras d'Or is the furthest point.

Mr. LOW: It is the furthest point east shown.

Sir HENRY DRAYTON: Labrador is east of Bras d'Or.

Mr. LOW: This is just on the border.

Sir HENRY DRAYTON: I see. I realize that with no railway on the north shore we have to do something towards helping the service. What I rose to point out was that the subsidy in 1921-22 was $50,000. We have an increase of $35,000. What is the extended service for which we are paying the $35,000?

Mr. LOW: The contract of $50,000 was given to the Gulf of St. Lawrence Shipping & Trading Company. That company failed and the contract was taken over by the Clarke Steamship Company and we had to increase the subsidy to get the service.

Sir HENRY DRAYTON: These subsidies are paid in order to maintain a service which would not be secured without them. My hon. friend will agree with that. It therefore becomes the duty of the department to check the earnings every year. Now, have we not yet reached the point where the maximum subsidy of $80,000 or whatever it is can be reduced in view of increased earnings?

Mr. LOW: The service has already broken one company.

Sir HENRY DRAYTON: That was with $35,000 a year less.

Mr. LOW: The profits shown by the company's last statement for 1924, do not exceed ten per cent.

Sir HENRY DRAYTON: Including the subsidy?

Mr. LOW: Yes.

Sir HENRY DRAYTON: That would be ten per cent on what?

Mr. LOW: On the cost of the boats. This of course is confidential.

Sir HENRY DRAYTON: Has the department satisfied itself that the costs are correct?

Mr. LOW: Yes; the statement has been certified to by a chartered accountant.

Sir HENRY DRAYTON: How much do we get for the extra $35,000?

Mr. LOW: We are getting the service. Had we not agreed to the increase, the Clarke Company would not have entered into the contract, the other company having failed.

Sir HENRY DRAYTON: In other words, this was the best bargin the minister could make in substitution of a contractor's obligation that failed.

Mr. LOW: Yes.

Sir HENRY DRAYTON: It is an extra charge for the same service.

Mr. LOW: Yes.

Item agreed to.

Quebec or Montreal, and Gaspe and ports on the south shore of the gulf of St. Lawrence—steam service between, $60,000.

Sir HENRY DRAYTON: There is an increase of one hundred per cent in this vote; what is the reason?

Mr. LOW: The service has been doubled. Formerly it was fortnightly, now it is weekly. This is much the same as the other contract, and the province of Quebec has increased its subsidy by $30,000 as well. The south shore has no railway communication in the territory covered by this service and the inhabitants are isolated in the winter, being therefore dependent on the steamship service for their supplies and for the shipping of produce. There are considerable possibilities of development on the coast and the people are now providing for a weekly service to and from Quebec and Montreal to promote the development they anticipate. A great many of the villages and settlements along the coast depend on this service for their means of transportation. The service is also extended to the west coast of Newfoundland without any additional subsidy and this opens up great possibilities for increasing Canada's trade with that island, a good deal of which formerly went to the United States.

Sir HENRY DRAYTON: What is the name of the company?

Mr. LOW: The Clarke Steamship Company.

Sir HENRY DRAYTON: The same company that operates the other service?

Mr. LOW: Yes.

Sir HENRY DRAYTON: What are the names of the boats on this and the other service?

Mr. LOW: On the north shore they are the North Shore and the Colima, and on the south shore the Gaspesia and the Nayarit.

Sir HENRY DRAYTON: What is the tonnage in each case?

Mr. LOW: The North Shore is 811 gross tons and the Colima, 1,487. A new steamer especially designed for this service is now under construction in England and will be ready for the opening of navigation in 1926. In the meantime the contractors have chartered a large steamer at a great deal of expense to carry on the service during the present season. This steamer and a sister ship intended for the north shore service are now operating on these routes.

Mr. HANSON: How much is the Quebec government allowing for this service?

Mr. LOW: Thirty thousand dollars.

Mr. HANSON: The minister said that the Quebec government had increased its subsidy by $30,000 and I inferred from that that it had been already giving a subsidy, whatever it might be.

Mr. LOW: I was mistaken in that; they paid nothing before. They are now paying $30,000 and the payment is conditional on our increasing our subsidy by $30,000.

Item agreed to.

Rimouski and Point aux Outardes—service between, $5,000.

Sir HENRY DRAYTON: When did this service commence?

Mr. LOW: In 1923.

Sir HENRY DRAYTON: Now that the general is with us is there any necessity for keeping it up?

Sir EUGENE FISET: The shareholders of the company are not friends of mine, I am sorry to say.

Sir HENRY DRAYTON: If the hon. member would move to strike out the vote I would not mind seconding the motion.

[Mr. Low.]

Sir EUGENE FISET: The service is very satisfactory and the boat which is ninety feet long, carries twenty-one first class and forty second class cabins. Mail is carried as well as passengers.

Mr. CASGRAIN: It serves both the north and the south shores.

Mr. LOW: The contractor is J. A. Fafard.

Sir HENRY DRAYTON: What business is carried on there?

Mr. LOW: I have not inquired.

Sir HENRY DRAYTON: I do not think there was any inquiry made before this service was inaugurated.

Item agreed to.

St. Catharine's bay and Tadoussac—winter service between, $2,000.

Sir HENRY DRAYTON: We should give an opportunity to the member of the district to tell us how he got this vote put in. This is another new subsidy.

Mr. CASGRAIN: It was there last year.

Sir HENRY DRAYTON: When the crop was good.

Mr. CASGRAIN: It was there many years ago.

Sir HENRY DRAYTON: Was it there in 1921?

Mr. LOW: It was there in 1923 but not in 1921. But for years before that the service was carried on.

Item agreed to.

St. John and St. Andrews, calling at intermediate points, steam service betwen, $3,000.

Sir HENRY DRAYTON: What is the tonnage?

Mr. LOW: One steamer of 133 gross tons. The contractors are the Maritime Steamship Company.

Item agreed to.

St. John and Bear river, and other way ports, steam service between, $2,000.

Sir HENRY DRAYTON: I suppose I can take it for granted that the subsidy in every case is included in the earnings ,and that the earnings with the subsidy do not exceed ten per cent?

Mr. LOW: Yes.

Sir HENRY DRAYTON: That is the regular rule, and I understand it is followed in each case.

Mr. LOW: Approximately.

Item agreed to.

St. John and Digby, steam service between, $15,000.

Sir HENRY DRAYTON: Who are the contractors?

Mr. LOW: The Dominion Atlantic Railway Company a subsidiary of the Canadian Pacific.

Sir HENRY DRAYTON: What boats have we there, and what is their tonnage?

Mr. LOW: The Empress of 1,300 gross tons.

Item agreed to.

St. John, Digby, Annapolis and Granville, along the west coast of Annapolis basin, steam service between, $2,000.

Mr. CALDWELL: Is that the second line of boats running between St. John and Digby?

Mr. LOW: This is only a weekly freight boat; the other gives a daily service.

Mr. CALDWELL: The one getting the $15,000 is simply a passenger boat?

Mr. LOW: It carries freight as well.

Item agreed to.

St. John and Minas basin ports, steam service between, $5,000.

Mr. SPENCER: Why is this item bracketed with the preceding one?

Mr. LOW: The contractors are the St. John Steamship Company. It is a yearly contract.

Mr. SPENCER: How long has the subsidy been given?

Mr. LOW: The boat was built for the service in 1919.

Sir HENRY DRAYTON: The minister has not answered the question of the hon. member for Battle River (Mr. Spencer). We formerly had a vote of $8,500; we now have it subdivided. Is there to be an increase next year?

Mr. LOW: It is subdivided purely for convenience. The service is covered by two boats.

Sir HENRY DRAYTON: And was before.

Mr. LOW: Yes.

Sir HENRY DRAYTON: I notice that the vote for 1921-22 was $5,000. Why this very considerable increase?

Mr. LOW: The amount was exactly the same in 1921, $8,500.

Sir HENRY DRAYTON: My Hansard shows that in 1921-22 the vote was $5,000.

Mr. LOVETT: I think I can explain the apparent difference. There was one boat in 1921-22, and afterwards another boat was put on and $8,500 was the subsidy given both boats.

Sir HENRY DRAYTON: Is there any difference at all?

Mr. LOW: Some years ago the service was performed by one company with two boats; now two companies have separate contracts, one for $3,500 and the other for $5,000.

Sir HENRY DRAYTON: Mr. Chairman, the hon. member for Digby and Annapolis (Mr. Lovett) thinks I am wrong. The vote for 1920-21 was No. 192, "St. John, New Brunswick, and ports on the bay of Fundy and Minas basin and Margaretville, N.S., steam service between." As I read it, that combination service was $5,000. What is the reason for the increase?

Mr. LOVETT: The vote for $3,500 is in my constituency; the vote for $5,000 is in the constituency of the member for Kings, N.S. (Mr. Robinson). I know that $3,500 is the subsidy for the service in my constituency, and it has been the same for a long time.

Sir HENRY DRAYTON: If the minister does not know, I suppose it is no use holding up the vote. This is simply another unexplained increase.

Item agreed to.

St. John, Westport and Yarmouth and other way ports, steam service between, $10,000.

Sir HENRY DRAYTON: What is the service at this point?

Mr. LOW: The service is for seventy round trips. Seventy-three and a half trips were made last year. There were 1,611 passengers and 6,985 tons of freight carried. The subsidy has been the same for the last six years.

Item agreed to.

St. John and Weymouth, steam service between, $1,500.

Sir HENRY DRAYTON: When was that put in?

Mr. LOW: In 1923. The contract is with the Weymouth Transportation Company, for one year. It provides for a weekly service. The Nova Scotia government pays a subsidy of $2,000.

Sir HENRY DRAYTON: What business is there?

Mr. LOVETT: This boat plies between Weymouth, Freeport, Westport, Tiverton, Little River, New Edinburgh, Plympton, and many other places where there is no rail connection. It is a very small subsidy. This boat is not making any money; the contractors just about broke even last year.

Sir HENRY DRAYTON: What was done before 1923?

Mr. LOVETT: I am not able to say what was done before, but I know that this subsidy is to give the people a much needed service.

Item agreed to.

Sydney and Bay St. Lawrence, calling at way ports, steam service between, $18,000.

Sir HENRY DRAYTON: There is a 100 per cent increase here.

Mr. LOW: The contract was entered into in 1924. The contractors are the North Shore Steamship Company, of Sydney. The boat was wrecked last year and we called for tenders. The lowest tender received was $20,000, but we succeeded in reducing it to $18,000.

Sir HENRY DRAYTON: What was the name of the old boat?

Mr. LOW: The Aspy.

Sir HENRY DRAYTON: Who was the owner?

Mr. LOW: The North Shore Steamship Company.

Mr. KELLNER: From what the minister says it would almost seem that if a company's boat is wrecked, or for some other reason a contractor wants more money, about all he has to do to get it is to put in a tender. Surely there must be a limit above which the government refuses to go.

Mr. LOW: I am sure if my hon. friend lived in an isolated territory he would regard it as the duty of the government to provide some kind of service for the people in that territory, just as it is the duty of the government to try to provide railway service for people living in the interior. These people have no other service than the steamship service.

[Sir Henry Drayton.]

Mr. KELLNER: If these were compassionate allowances it might be different, but I thought the matter was being dealt with as a business undertaking.

Mr. LOW: That is what it is—to provide service for these people.

Mr. KELLNER: I cannot gather that from the remarks the minister has just made. It certainly sounded to me as though business never entered into the matter. The people simply needed the service and it was decided to give it to them. The cost was not an important consideration at all.

Mr. CALDWELL: Would it be a "moral claim in equity?"

Mr. CARROLL: This service starts from Sydney and follows a route which is one of the stormiest on the whole coast of America. It goes between St. Paul's island and Cape North, and it is near there that the old boat was lost last fall. The old boat cost about $27,000 and the present boat is costing in the vicinity of $70,000. They did not want to enter into a contract at all, and I do not believe they would have given a service here had it not been for the fact that last September or thereabouts plaster works were opened at Ingonish, which is one of the way ports and quite a populous place, and they thought they might make something out of passenger traffic down the coast. There is no railway through any part of this place. It is a mountainous country and it is impossible to take goods through there on auto trucks or anything else. As the minister has said, the contract was entered into for $2,000 less than the lowest tender.

Mr. KELLNER: It is a question whether it would not be better for the people to move out of there. If they are in an isolated section of the country I do not see why they should want to continue to live there. If you would adopt the same principle that is followed in the west, that is, refuse to give them railroad service or any facilities at all for communication with the rest of the country, they would get out, the same as our farmers and residents in the west are doing. But we have a different country and a different class of citizens. We have a country in which it is possible to produce a very large tonnage of exportable grain, whereas in the district now under discussion the only thing produced, I understand, is a relatively small quantity of fish. If it is good business to keep a few people isolated in a frontier settlement like this, I do not see why it should not be better

business to keep a large number of people in a prosperous community in the west. In view of the number of subsidies we are passing in these estimates, there is very little justification for the refusal of the Department of Railways to build the Peace river outlet.

Sir HENRY DRAYTON: What was the old service under the former vote of $9,000, and what is the new service to be? That may account for the difference.

Mr. LOW: It is the same service. The difference is in the cost of the boat.

Item agreed to.

Sydney and Whycocomagh, steam service between, $13,000.

Sir HENRY DRAYTON: Is there an increase there?

Mr. LOW: It is the same as last year.

Sir HENRY DRAYTON: I think again there is an increase over 1921-1922 of $4,000. What does my hon. friend say?

Mr. LOW: The old boat was worn out, and we called for tenders, and this is the best offer we received.

Sir HENRY DRAYTON: This was another case of the old horse going down. How much does the minister say the increase was?

Mr. LOW: The old boat was forty years old.

Sir HENRY DRAYTON: What was the old vote?

Mr. LOW: $5,000.

Sir HENRY DRAYTON: The vote for the same service in 1921-1922 was $4,000.

Mr. LOW: $5,000 in 1922.

Sir HENRY DRAYTON: I am looking at 1921-1922, and it says $4,000. My hon. friends starting the jacking-up process as soon as they got the opportunity, but I was taking the vote before they had a chance of increasing it.

Mr. LOW: The jacking-up started about 1918.

Sir HENRY DRAYTON: I am taking the vote just where we left it. The vote in 1921-1922 was $4,000 for this identical service between Sydney and Whycocomagh. There is an increase here of $9,000 over 1921-1922. Is there any difference in the service?

Mr. LOW: It is the same service, but with an improved boat. We called for tenders, and this was the best offer we received.

Sir HENRY DRAYTON: When were tenders called for?

Mr. LOW: In 1922.

Sir HENRY DRAYTON: What is the tonnage of that boat?

Mr. LOW: Two hundred and fifty-one tons.

Sir HENRY DRAYTON: And the name of the owner?

Mr. LOW: The name of the contractor is the New Bras d'Or Steamship Company.

Mr. ROSS (Kingston): Is a provincial grant made in any of these cases?

Mr. LOW: Yes, there is a grant in this case of $3,600.

Item agreed to.

Sydney and Bras d'Or Lake ports, and ports on the west coast of Cape Breton, steam service between, $18,000.

Sir HENRY DRAYTON: The vote there is also increased over 1921-1922. Was there another wreck?

Mr. LOW: It must have been a bad year for fires, for the Bras d'Or was destroyed by fire in December, 1924. We did not call for tenders in this case, but the contractor presented an offer to us, and we accepted it.

Sir HENRY DRAYTON: There is an increase of $4,000.

Mr. LOW: Yes.

Sir HENRY DRAYTON: Why were not tenders called?

Mr. LOW: The increase was not this year, but the previous year.

Sir HENRY DRAYTON: There was an increase of $4,000.

Mr. LOW: Not over last year's vote.

Sir HENRY DRAYTON: I did not say that. Fire or something happens, and then there is a little conversation between the minister and the contractor, and the contractor gets the new deal at $4,000 increase. Am I wrong?

Mr. LOW: The contractor would not carry on the service without an increased subsidy. It was a question of making the best terms possible.

Sir HENRY DRAYTON: The contractor said he would not go ahead unless you gave him $4,000 more, and you said: Go ahead, here is your $4,000.

Item agreed to.

Inspection of subsidized steamship services, $4,500.

Sir HENRY DRAYTON: Under this item I am going to ask my hon. friend to give us the particulars of this item "Appropriations not required for 1925-1926, $13,500." What have we been able to get rid of?

Mr. LOW: Dealing first with item 205, this is to cover the salary and expenses of our inspector, Mr. Wilfrid E. Tupper, appointed May 1, 1912. The salary is $2,880. As to the appropriations not required for 1925-1926, the steamship subsidy estimates omitted are as follows:

Dalhousie, N.B. and Carleton, Que. (Not utilised in 1924-25)..	$ 500
Halifax and Newfoundland via Cape Breton ports. (Carries a large amount of contractors' own freight)..	5,000
St. John and Wedgeport. (Not supported by local merchants, etc.)..	5,000
Cheticamp and Port Hawkesbury..	3,000
	$13,500

Sir HENRY DRAYTON: What has become of the people in all these places? I was just wondering how they compare with people in these other places where we have new services given where there were none before.

Mr. LOW: The first item with respect to Dalhousie and Carleton was dropped. The next item for a service between Halifax and Newfoundland was also omitted, as well as the St. John and Wedgeport and the Cheticamp and Port Hawkesbury services.

Sir HENRY DRAYTON: Just dropping the business.

Mr. CALDWELL: Is there any steamship service between the mainland and Newfoundland?

Mr. LOW: Yes, there is a service carried on by the Newfoundland government. We paid a subsidy when the service was under private ownership, but when the Newfoundland government took it over we dropped the subsidy, feeling that it was not proper to pay a subsidy to another government.

Mr. THURSTON: What form of inspection takes place under this vote?

Mr. LOW: The duties of the inspector are to travel on all subsidized steamship lines at least once a year, and examine and report upon the condition of the subsidized steamers, also the passenger accommodation, freight capacity, suitability for the service, the efficiency with which the contracts are being carried out, wharfage and other conditions at ports of call. also to examine and report upon freight and passenger rates, to check annual financial statements, and where necessary to make special inspectional trips.

Item agreed to.

PUBLIC WORKS

Public works British Columbia—Bamfield East—reconstruction of wharf, $1,650.

Sir HENRY DRAYTON: Tell us about this.

Hon J. H. KING (Kootenay, Minister of Public Works): This is to complete the payment on the contract with Contractor Huntley for the reconstruction of the wharf at Bamfield. The amount of the final estimate was $8,415.46; paid to the contractor on account $6,780, making a total balance due the contractor of $1,635.46.

Sir HENRY DRAYTON: It runs $1,600 over the old estimate.

Mr. KING (Kootenay): Yes. It is an old structure.

Item agreed to.

Burgoyne Bay—wharf repairs, $1,250.

Sir HENRY DRAYTON: What is this—general repairs to wharf?

Mr. KING (Kootenay): It consists of renewing decking guards and stringers. This is a farming community situated on Salt Spring island, and they are entirely dependent upon water transportation.

Item agreed to.

Campbell River—wharf repairs, $5,000.

Mr. KING (Kootenay): This consists of renewing of caps, stringers, joists, decking and so on, painting truss timbers on approach, repairing the shed and moving the float from river to wharf in spring and back again in the fall. District Engineer Forde reports that owing to the exposed condition of the wharf and fast currents running there landings by steamboats are made very difficult, subjecting the wharf to the strain of repeated impacts and repairs and improvements are rendered necessary on this account. It is necessary to remove the float from wharf to river in the fall each year as the site is too exposed from the southeast to allow it to remain during the winter months.

Sir HENRY DRAYTON: Where is that?

Mr. KING (Kootenay): It is in Comox-Alberni.

Sir HENRY DRAYTON: An old wharf.

Mr. KING (Kootenay): Yes, Campbell River is an important point on the island.

Item agreed to.

Celista—wharf, $3,600.

Sir HENRY DRAYTON: Is that a new wharf?

Mr. KING (Kootenay): No, it is to reconstruct the wharf at Celista in the district of Cariboo. To reconstruct the old wharf on the present site would cost approximately $2,800, which price is based on salvaging a certain proportion of the old timbers, and so forth. District Engineer Doncaster reports August 1, 1924 that:

> It is now the desire of the residents that the new structure, if built, be located at a point about one-quarter mile to the west of the existing one. I had already gone over the ground and had a survey made to see if the proposed site was suitable. I found that the site selected by the residents concerned is suitable from the standpoint of shore line, water depths, and so forth, and has the additional advantage of being somewhat better located with reference to existing wharves at settlements to the east and west of Celista. The estimated cost of building a new wharf on the new site is $3,600.

It is a new wharf, but it is to replace, on a new site, the existing wharf, which is out of repair.

Sir HENRY DRAYTON: Have we to purchase the land?

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

Sir HENRY DRAYTON: The land is to be donated to us.

Mr. KING (Kootenay): Well it comes from the crown.

Item agreed to.

Columbia river at Revelstoke—Bank protection, $7,000.

Sir HENRY DRAYTON: What is this at Revelstoke?

Mr. KING (Kootenay): At Revelstoke for years the Department of Public Works have been doing some bank protection. It is proposed to build and place in the river bed, three lengths of brush current retards similar to those used with success on the Missouri and other rivers in the United States of America. I might say that years ago the work in the river was in the form of shear dams or wing dams and it has been suggested that this proposed plan should be adopted as it is much less expensive and has proved very successful.

Sir HENRY DRAYTON: What does this work consist of?

Mr. KING (Kootenay): We take a large tree with the brush on it; piles are driven through it, fastening it down to the bank; it collects the silt, and the results are good.

Item agreed to.

Columbia river below Burton—Bank protection, $10,000.

Mr. KING (Kootenay): This is to save the channel which the department is required to dredge from time to time. These banks keep tumbling in and the work is required to be done there at different times, in order to hold the bank.

Item agreed to.

Comox—wharf repairs, $2,800.

Mr. KING (Kootenay): General repairs.

Item agreed to.

Courtenay river—dredging, $35,500.

Mr. KING (Kootenay): The proposed work will consist of the dredging of a channel at the river mouth, 1,900 feet long and 80 feet in width, to a depth of 5 feet below low water level. The object of the proposed work is to eliminate the present sharp turn in the channel at this point where considerable trouble has been experienced by navigators.

As to the necessity for the work, Comox valley is one of the finest farming districts on the island of Vancouver, and they are dependent largely on the Vancouver market to dispose of their produce. The Courtenay Transportation Company have a weekly service between Courtenay and Vancouver and various points, and the produce is handled in that way, giving them a very reasonable freight rate. This work is essential so that they may be able to utilize this water route.

The average weekly amount of freight is 50 tons, about 30 tons being consigned to Courtenay and 20 tons to Cumberland. There is also a launch service from Denman island to Courtenay. The freight dealt with by means of small coasting steamers calling at Courtenay during 1924 was about 557 tons. There is also a launch service from Denman island to Courtenay once weekly with passengers, cream, and so forth.

Sir HENRY DRAYTON: What kind of a boat service is that? What is the passenger service?

Mr. KING (Kootenay): A motor boat service.

Sir HENRY DRAYTON: Besides the motor boats there are schooners and coasting boats.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: What is their tonnage?

Mr. KING (Kootenay): It varies.

Sir HENRY DRAYTON: What is the biggest tonnage?

Mr. KING (Kootenay): The Vancouver-Courtenay Transportation Company's vessel would be the largest. They have a service using barges and tugs.

Sir HENRY DRAYTON: Any of them corrugated?

Mr. KING (Kootenay): I am not sure. Perhaps they would be. They would be cheaper.

Item agreed to.

Crawford bay—reconstruction of float and shed, $2,250.

Mr. KING (Kootenay): This is to replace an old float and a shed which have been wrecked and which are beyond repair.

Item agreed to.

Fraser river (lower)—operation of snag boat, $30,000.

Sir HENRY DRAYTON: How are we getting on with the important work at this point?

Mr. KING (Kootenay): This is for the operation of the snag boat Sampson which keeps the Fraser river clear of snags. During the spring freshet, tremendous trees come down and unless they are removed the river becomes blocked, forming bars and destroying channels. This is the usual vote and it is essential for the service.

Sir HENRY DRAYTON: What was spent last year under this vote?

Mr. KING (Kootenay): In 1924-25, $28,683.

Item agreed to.

Fraser river—improvements, $60,000.

Sir HENRY DRAYTON: What is this?

Mr. KING (Kootenay): This is to construct a dam across Woodwards slough to divert the water into the King Edward cut. The proposed dam will be 1800 feet long and thirty feet wide on top with a slope of four to one. The work will consist of mattresses on its entire length for a width of forty feet and two feet thick. The core will be composed of four rows of driven piles secured by cross-ties. The spaces between the piles are to be filled with brushwork and the sloping sides of the dam will consist of hydraulic fill. The object of this work is to confine the waters of the Fraser at this point so that instead of the dissemination taking place as it does now, the silt will be passed along on a more rapid current and will go out to sea. It is an important section of the Fraser river, and it is one that has given a great deal of trouble to the department. Similar work was done near the mouth of the river with good results where to-day there is a twenty-foot channel. Last year we had considerable trouble at this point, and it is hoped that the construction of this dam or wall will improve conditions there.

Sir HENRY DRAYTON: When was the contract let?

Mr. KING (Kootenay): The contract was let on the 3rd March, on account of the urgency of the work. There were three tenders in all, Broley and Martin being the lowest, The tenders varied from $73,796.50, which was the lowest, to $85,289.

Sir HENRY DRAYTON: What is the amount of the present contract?

Mr. KING (Kootenay): $73,796.50. It is over the amount which we estimated when the estimates were being made up.

Sir HENRY DRAYTON: What will be done as to that?

Mr. KING (Kootenay): We shall have to have a supplementary estimate.

Sir HENRY DRAYTON: What was the reason for spending $68,000 the year before? Was there a similar contract then?

Mr. KING (Kootenay): That was a similar class of work near the mouth of the river.

Mr. McQUARRIE: When this work is completed, what will be the minimum depth of the channel between New Westminster and the gulf?

Mr. KING (Kootenay): I shall be glad if my hon. friend will venture an opinion as to that. It is hoped that it will deepen the channel very materially at that point. This work is being done with the greatest of care by the engineers, they using their best judgment after careful surveys and examinations, and moving one step after the other. It is very easy in work of this character to do a great deal of harm if you go too fast. Their disposition is to construct a section at a time, watch the effect and continue. The Fraser is a river carrying a great deal of silt as my hon. friend knows. Within the last two weeks we have been advised that at this cut there has been a tremendous filling, and we have received calls for the

dredge to go there in order to relieve the situation as navigation is going to be tied up. Two dredges are working there now, but it is hoped, with the completion of this work, that the difficulty will be corrected and there will be a saving in dredging.

Mr. McQUARRIE: The freshet is on at the present time. The two dredges are there now?

Mr. KING (Kootenay): Yes.

Mr. McQUARRIE: They are taking care of the matter?

Mr. KING (Kootenay): Yes, they are doing the best they can.

Mr. McQUARRIE: I appreciate the fact that the minister, the chief engineer and the department are showing great interest in the Fraser river channel. Of course, the minister knows that shipping on the Fraser river has very materially increased during the last three or four years, particularly during the last two years. I notice in the Vancouver Province of the 23rd May a news item which will give some indication of the shipping that is in that river at the present time. It reads:

New Westminster, May 23.—Five ocean carriers are moored at berths here, loading for various parts of the world.

SS. Canadian Highlander is taking 2,500,000 feet of ties and 500 tons of bar metal for United Kingdom. The ties are for a Scottish railway.

SS. Luise Nielsen is loading more than a million feet of lumber for New York.

The British tanker San Leon has arrived from Vancouver, where she discharged 1,000 tons of creosote. She will discharge 4,000 tons of the wood preservative here for the new creosote works.

SS. Canadian Winner is loading concentrates, bar metal and lumber for Antwerp and continental ports.

SS. Canadian Importer has arrived from Vancouver to take cargo for the Orient.

The shipping has very largely increased, and it is a question whether the department is taking measures in a sufficiently active way to meet the situation. I congratulate the minister on the work that has been done, but possibly more is required. There are certain ships now which would come into the Fraser river, but which on account of their draught, are prevented from doing so. The minister should consider the question of letting a contract for the dredging out of that channel from New Westminster to the gulf to a depth of at least thirty feet. We have been working there for many years and some progress has been made; but New Westminster is becoming an important shipping port, and if the grain from the prairies is to be moved down that river some more drastic steps will have to be taken. I have wondered whether it would not pay the government to let a contract for that work in order to have the job completed at one time instead of doing it piecemeal. I know that the dredges are doing good work there, particularly the King Edward; but I do not think that the other dredge, the 303, that is, the Fruhling, is doing satisfactory work. If the minister would let a contract for the whole job and finish it up money would be saved for the country. If it is considered necessary that the work should be continued by the dredges, then I think the 303 should be replaced with a more modern vessel, for that dredge never can complete a job. My information is that it is always necessary for the other dredge to come after her and finish the work. As the minister knows, the 303 takes up sand into the hold and carries it out to sea, depositing it there, and that simply means, I am told, digging post holes in the bottom of the river. The 303 never did complete any job in clearing any particular part of the channel and I would strongly urge upon the minister the necessity for replacing that dredge with a thoroughly modern and up to date vessel. The minister knows that the Fruhling is many years behind the times and we are constantly losing money on her.

Mr. LADNER: I have just a few words to say in connection with the north arm of the Fraser river. A few days ago I took occasion to criticize somewhat severely to the extent of my ability the action of the government in granting $5,000,000 to the harbour of Quebec, they having had $4,000,000 in 1922, on the ground that it was non-productive and that in forty years or more no interest had been paid. I took the position that the grant was just money sunk into the river to increase facilities which at the present time may be considered adequate. Now, in urging upon the minister the proposal I am about to advance I have no wish to be in the slightest degree inconsistent, merely because this particular matter happens to relate to my own constituency. As in the other case, I preface my contention with the statement that if the actual business of the times does not warrant improvements and make for a return on the capital invested, such improvements should not be carried out, especially in view of the conditions that face us—our national debt, our railway obligations and other things we have heard so much about.

Now, since 1922 the Richmond and Point Grey board of trade as well as the municipal councils of Point Grey, South Vancouver, and Richmond have by petitions and letters impressed upon the government the necessity of extending the jetty at the mouth of the Fraser river in order to make it possible for the saw-mill interests and other industries along the river to bring up booms of logs and split them at the mouth of the river, thereby saving 50 cents per thousand on their logs. Just a few days ago I received letters from the reeve of Point Grey and the Richmond and Point Grey board of trade. In his letter the reeve of Point Grey states some facts which are pertinent to the present situation. He says:

It is a fact that all the plants on the river show growth and warrant a continuance of interest in the development of the river, not for the future but to facilitate the business already there.

Dr. King practically conceded that it was necessary to continue the jetty at the mouth of the river and when we had Mr. Cameron down the river, the contention that the silting up at the mouth was largely due to a cross current across the end of Sea island was well demonstrated to him as we arrived, as you well remember, at the mouth of the river at the turn of the tide.

The river is attracting more notice now and other industries will come in and make use of its banks if the entrance is improved. The extension of the jetty would allow tugs to get into sheltered water at any stage of the tide and they could then wait their pleasure in protected water.

As it is now, in the event of a blow coming up they are forced to run back into Howe sound or Vancouver harbour which means a big delay. As an insurance against this occurrence the towing rates are higher than they need be.

Incidentally, it costs 50 cents a thousand more for lumber going into this channel. In view of the general desire among members to have the session end in order that we may go home, I do not propose to take up much time on this question. But the matter is one of importance to the people on the north arm of the Fraser river in the interests of large and increasing industries established there.

Mr. BANCROFT: Have these industries been established since the hon. member made his budget speech? At that time I understood him to say that there were no industries operating at that point.

Mr. LADNER: I am complimented by the fact that the hon. member has given some attention to my speech, but apparently he has not read it carefully, because industries are going on there and are increasing every day. Indeed, I was about to tell him something about a few of them. These are some of the companies, together with the investment and the monthly pay roll:

Company—	Investment	Monthly Pay Roll
Robertson Hackett..	$600,000	$15,000
Bloedel, Stewart and Welch ..	250,000	15,000
McNair Lumber and Shingle Company..	240,000	10,500
Ewart Lumber Company..	80,000	6,500
Barrett Company, Limited	50,000	2,000
Eburne Saw Mills..	645,000	15,000
Bernard Timber and Logging Company, Limited..	150,000	20,000
Hunting-Merritt Lumber Company, Limited..	450,000	21,300

In the list I have given I have omitted the number of cars shipped, which in the case of the Bloedel Company amounts to 1,000. In the case of the Hunting-Merritt Company, 1,000,000 shingles are turned out daily and the number of cars shipped out every month over our railways is something like 1,500. I could give an extended list of concerns with a capital under $500,000 doing business in that district. Each side of the river is being continually crowded with lumber and shingle industries, and industries incidental to these.

Mr. BANCROFT: Have they started since the hon. member spoke on the budget?

Mr. LADNER: I have not been out to see, but I can assure the hon. member that these industries are there. Now, the river must be dredged. The channel is ten feet deep over a certain distance and is one hundred and fifty feet wide. The difficulty is that the jetty is not projected far enough into deep water, and with the cross currents bringing in silt the channel has to be dredged constantly or it gives trouble every now and again to shipping. The north arm of the Fraser river is a fresh water body, and the lumber industry finds it advantageous to carry on business there rather than in the main harbour, which of course is salt water. I urge upon the minister and the government that the people now there, as well as the people of Vancouver city, are interested in the increased facilities of the Fraser river to enable the industrial development to proceed in that district. Although we have been importuning the minister and the government every spring since 1922, and although I realize the need for practising economy in public expenditures, yet I think in this instance there is a failure in fair dealing; because the government have an opportunity of investing money where it is warranted by the actual business conditions. Both the minister's officials and the business men of

Vancouver know that money can be advantageously spent there in the development of one of our basic industries. I contrast the "economy" of the government in this instance with the $12,000,000 voted during the past week, in most cases, to be spent on proposals which have not the redeeming feature of being necessary to take care of the actual business necessities of to-day.

Mr. KING (Kootenay): In reply to the hon. member for New Westminster (Mr. McQuarrie) regarding increased shipping facilities on the Fraser river, undoubtedly there has been a tremendous increase in the shipping of lumber and its products and also of some of the mineral products of the province. As to voting some millions of dollars and doing the job in one contract, my hon. friend cannot have given the problem that consideration which it demands. The trouble would not be cured except by the expenditure of a tremendous sum of money, and even then we might not be successful. I think the method adopted by the department is the proper one, that of training the river, as it were, and in that way securing a clear channel. I do not think my hon. friend can complain, because the history of the river for the last two or three years has been more or less satisfactory. At times our friends have been uneasy and somewhat nervous, but generally speaking the trouble has been pretty well taken care of.

In regard to the north arm, my hon. friend from Vancouver South (Mr. Ladner) has dilated upon the advantages of that channel, and unquestionably there are many industries situated along it. But to suggest that the government of Canada has neglected the channel would hardly be in accordance with the facts. Since 1911 about $2,000,000 has been expended on the north arm in retaining walls, dredging and so forth; during 1922-23 we spent $23,605, and during 1923-24, $55,920. These later expenditures were for dredging to keep the channel open. The breakwater that my hon. friend refers to is a very large undertaking. Some years ago the government extended the wall out some distance from the mouth of the north arm. It is proposed to carry this out further to deep water, but that work requires a very large sum of money, and up to the present the money has not been available.

Mr. LADNER: On that point, with the original investment there now and the work partly completed, would it not be better business to keep step with the increase of industry there instead of remaining idle?

Mr. KING (Kootenay): I think my hon. friend must realize that with the necessity for economy what he suggests has not been possible.

Mr. LADNER: Why has that economy not been practised in Quebec harbour and other places?

Mr. KING (Kootenay): I think it has been.

Item agreed to.

Harbours and rivers generally—repairs and improvements, $65,000.

Mr. McQUARRIE: Does this item include repairs to the wharf at White Rock? I think representations have been made to the minister as to the dangerous condition of that wharf.

Mr. KING (Kootenay): I notice that last year under the general item of harbours and rivers, $163.25 was expended at White Rock. I expect that was for urgent repairs.

Mr. McQUARRIE: But I mean for the current year.

Mr. KING (Kootenay): I have a list before me of forty places, but I do not see White Rock included.

Mr. McQUARRIE: I draw the attention of the minister to the necessity for repairs at this wharf. I presume he has a report from his resident engineer that the wharf is in need of repairs. I am told it is so bad now that it is really dangerous for anyone to use it, and yet the life belts have been removed. Representations have been made by the ratepayers' association and other bodies in White Rock asking for the replacement of these life belts, but I understand the resident engineer said that this could not be done as the vote had been exhausted. It seems to me it is running things pretty fine when such an excuse has to be given. The minister knows this wharf is very extensively used, and he may be certain that if it is dangerous, something will happen one of these days for which he will be sorry.

Mr. KING (Kootenay): I will have the matter looked into.

Item agreed to.

Mayne island—wharf repairs and improvements, $4,200.

Sir HENRY DRAYTON: What are the improvements?

Mr. KING (Kootenay): Renewing the superstructure of the wharf-head and approach, renewal of fender piles, also a new float 16 x 30 feet, making a total expenditure of $4,200.

The resident engineer reports that the superstructure of the wharf-head is so far depreciated as to require entire renewal, together with a number of fender piles. A new float is also necessary. This is in the Nanaimo district.

Item agreed to.

Mission—wharf reconstruction, $5,200.

Sir HENRY DRAYTON: What is being done there? That looks a rather large reconstruction.

Mr. KING (Kootenay): This is to rebuild the government wharf. On account of the decaying of the piles the timbers have become unsafe for traffic. The wharf was built in 1905-06. It is regularly used by river steamers.

Item agreed to.

Okanagan lake and river—improvements, $2,000.

Mr. KING (Kootenay): The Okanagan river drains Okanagan lake. It is subject to blocking at times and has to be dredged.

Sir HENRY DRAYTON: Is there any navigation there?

Mr. KING (Kootenay): No, but we have to control the flow of Okanagan lake, which is navigable. A small river also leads out into a lake below which is navigable.

Item agreed to.

Port Clements—wharf repairs, $6,600.

Mr. KING (Kootenay): The engineer reports that the superstructure of this wharf is so far decayed as to require entire renewal.

Sir HENRY DRAYTON: Will the work be done by tender and contract?

Mr. KING (Kootenay): Yes.

Item agreed to.

Vancouver, Stanley Park—foreshore protection, $8,000.

Mr. KING (Kootenay): This work is being done in conjunction with the Stanley park authorities. We have spent to date $25,000, and there is some work yet to be done. The grant has been made to the park commissioners and the work is being properly done.

Sir HENRY DRAYTON: Is this being done under the Public Works department?

Mr. KING (Kootenay): We are allowing the park commissioners to expend the money under our supervision.

Sir HENRY DRAYTON: What is being done with that $8,000?

[Mr. J. H. King.]

Mr. KING (Kootenay): We have now a sea wall of 2,553 feet. It is proposed to build 700 feet more. The total length of the wall is to be 7,100 feet.

Mr. CALDWELL: Is Vancouver or British Columbia contributing to this work?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: I thought somebody else was doing the work. Are they not contributing?

Mr. KING (Kootenay): No, but they are supervising the work for us.

Sir HENRY DRAYTON: I understood the minister to say the department were supervising it; now we are told somebody else is supervising it.

Mr. KING (Kootenay): We are supervising; they are doing the work.

Sir HENRY DRAYTON: And we are putting up all the money?

Mr. KING (Kootenay): Yes.

Mr. McBRIDE: In years gone by this work was not required, but such a traffic has developed at Vancouver in recent years that the large ships cause a heavy swell, and if this work is not done the road around Stanley park will be gradually eaten away. It is a very necessary work, and it will be money well spent.

Sir HENRY DRAYTON: The hon. member has entirely missed the question. Are the civic officials much more efficient in doing the work than the Department of Public Works? If so, they had better be allowed to go on with it. I daresay they are.

Mr. KING (Kootenay): I think not. The park commissioners have a very efficient organization and we have taken advantage of that organization. The results being obtained are quite satisfactory.

Mr. LADNER: I happen to know something of the work of that park commission in connection with this particular matter, and I do not think there is any public body in Vancouver that is more capably managed than the park board. The chairman Mr. Shelley, is one of the most capable business men and administrators we have, and I am sure that whatever work is carried on by the board will be properly done.

Item agreed to.

Westbank—reconstruction of and improvements to wharf, $8,500.

Sir HENRY DRAYTON: What are the improvements?

Mr. KING (Kootenay): The vote is to reconstruct the superstructure of the northerly section of the wharf in order to replace the worn out portion with a type of construction which will withstand the heavy traffic to which this wharf is subjected. The section to be rebuilt consists of an approach 112 feet by 16 feet and inclined main wharf 154 feet by 32 feet.

Sir HENRY DRAYTON: Will that be done by tender?

Mr. KING (Kootenay): I would think so, yes.

Mr. McQUARRIE: I would like to associate myself with the hon. member (Mr. Ladner) as to the necessity of the work he outlined on the north arm of the Fraser river. I am interested in that work, too. In fact, all of us in that district are interested in the improvement of the north arm.

Item agreed to.

William Head Quarantine Station—repairs to wharves, $3,500.

Sir HENRY DRAYTON: Will the minister, to save time, hand in a list of the appropriations not required for 1925-26 and have them put on Hansard?

10 p.m.

Mr. KING (Kootenay): Yes. The list is as follows:

List of Appropriations not required for 1925-26

Harbours and Rivers	Chargeable to Income: Appropriation 1924-25	Chargeable to Income: Expenditure to March 31, 1925
British Columbia—		
Arrow Park—reconstruction of wharf	$ 10,000	$ 10,135 62
Bella Coola—to renew and extend wharf	9,000	8,877 51
Bowen Island (west side)—floating wharf	2,000	1,886 38
Burton—wharf repairs	2,100	1,415 07
Chemainus—repairs to float	1,450	1,236 23
Crooked and Parsnip rivers—removal of obstructions	3,500	3,560 67
Deep Bay—wharf repairs	1,850	1,756 48
Denman Island—wharf repairs	3,400	3,345 68
Enterprise Landing—wharf reconstruction	1,200	1,378 12
Fraser Lake—wharf	2,500	2,689 61
Fraser's Landing—wharf	5,100	4,994 25
Fulford Harbour—wharf repairs	1,200	1,162 24
Ginol's—wharf accommodation	2,500	1,647 47
Granite Bay—repairs to float	1,100	1,090 31
Hardy Bay—wharf replacement	19,000	15,300 29
Harrop—wharf reconstruction	2,600	2,081 66
Hope Bay—wharf repairs	1,200	1,195 01
Irvin's Landing—floats	1,100	974 75
Naramata—wharf repairs and improvements	1,300	1,300 00
New Massett—wharf repairs	2,300	2,313 46
New Westminster (Poplar Island—fisheries patrol station	16,500	16,612 26
Nicomen Island—protection work	36,000	34,455 53
Nootka—wharf repairs	3,500	3,372 79
North Gabriola—wharf repairs	1,300	1,307 00
Pender Harbour (Donley's Landing)—enlarging float	1,000	1,019 78
Port Alberni—wharf repairs	1,650	1,548 39
Port Hammond—wharf	5,000	3,511 36
Port Renfrew—wharf reconstruction	10,000	9,161 64
Port Simpson—wharf repairs	2,850	2,837 11
Roy—float	1,500	1,324 49
Royston—wharf repairs	2,750	2,687 23
Sayward—wharf replacement	11,600	3,377 84
Shaw's—wharf	3,200	2,657 32
Sidney—breakwater	3,000	2,978 70
Sidney—repairs to wharves	7,250	7,249 75
Sointula—wharf repairs, float and shed extension	1,250	1,422 09
Stewart—wharf improvements	1,200	1,200 00
Tofino—wharf repairs	5,400	5,153 98
Willow Point—wharf repairs	1,000	939 87
Wilson's Landing—wharf replacement	2,100	2,099 05
	$ 192,450	$ 173,256 99

Yukon—Stewart and Yukon rivers—channel improvements, $5,000.

Sir HENRY DRAYTON: Is this an annual payment?

Mr. KING (Kootenay): Yes. The proposed work is the removal of boulders from the navigable channel of the Stewart and Yukon rivers and the construction of brush and rock wing dams where necessary.

Sir HENRY DRAYTON: What are we trying to do? What depth are we trying to go?

Mr. KING (Kootenay): Usually the work is a matter of clearing the channel of docks and debris that accumulate from year to year. Two years ago the Yukon Navigation Company built a dam which raised the level of the waters and the government have contributed to the cost of that dam $5,000. The results have been very good. I have a report from the Yukon to-day saying that navigation on account of the construction of this dam is some weeks earlier this year, and the thing is working out well. If the dam is a success, we shall not have to spend so much each year.

Sir HENRY DRAYTON: What was spent last year?

Mr. KING (Kootenay): $5,000.

Sir HENRY DRAYTON: The actual amount voted? That was clever bookkeeping.

Item agreed to.

Harbours and rivers generally, $30,000.

Sir HENRY DRAYTON: What was spent on that last year?

Mr. KING (Kootenay): This amount is required to cover travelling expenses telegrams, printing, stationary, instruments, and so forth, which cannot conveniently be charged against any one in particular of the general appropriations for construction, improvements, or repairs in each province.

The chief engineer asks for an allotment of $15,000 out of this appropriation to pay expenses of staff in making test borings throughout the Dominion. He states that $2,000 will also be required in connection with the laboratory for testing materials. We spent last year $29,990.72.

Sir HENRY DRAYTON: If I have been able to follow my hon. friend, it does not look right to charge these things to a vote for harbours and rivers at all. The items he has mentioned have more to do with the cost of the service, have they not? No construction work is being done at all; it is simply for salaries, telegrams, and so forth. I think telegrams was the first item read; it may not be the main item, but it seems hardly fair to load all this on to a vote for harbours and rivers.

Mr. KING (Kootenay): It is an expenditure made in connection with harbours and rivers throughout Canada for administration purposes. Last year we spent $29,990.72, which was made up as follows:

Generally	$ 1,364 72
Cement testing laboratory	1,421 06
Test boring	12,400 07
Freight and express	2,836 50
Photographic supplies	2,126 42
Telegrams	4,497 08
Printing and stationery	5,312 37
Guarantee bonds	32 50
	$29,990 72

Item agreed to.

Mr. KING (Kootenay): Mr. Chairman, before taking up the next vote. When Public Works estimates for the harbour works in the province of Quebec were under discussion in committee last Friday I promised to bring down a copy of the judgment of the Exchequer court dealing with the expropriation of the wharf at St. Petronille and to give the committee the amount offered by the government.

This wharf and property of 37,363 square feet was the property of La Cie Maritime de Levis. The government offered them the sum of $24,394.65, which was the estimated value made up by the district engineer, taking into consideration the need for considerable repairs. The company, however, refused to sell the property at this price claiming $70,000, and as it was necessary, in the public interest, to take over the wharf and repair same, which the company had refused to do, a notice of expropriation was filed November 20, 1923. The judgment which I have here was rendered by Mr. Justice Audette on May 23, 1924, fixing the amount of compensation at the sum of $29,604.45, with interest at 5 per cent from November 20, 1923. It is to be noted from this judgment that no consideration was allowed for interference or loss of business in view of the fact that the business of the company was not interfered with in any way.

The above mentioned company, however, entered an appeal to the Supreme Court of Canada from this judgment, but I have here a statement dated April 28, 1925, just received by this department, from the deputy registrar of the Exchequer Court of Canada, stating that this appeal was subsequently discontinued by the company. I do not suppose the committee would be interested in hearing the judgment of the Exchequer court, but I have it here. Then in regard to the vote for Three Rivers harbour, a question was asked as to the personnel of the commission. The commission was appointed by order in council of July 10, 1923, and consists of Robert F. Grant, president, Joseph L. Fortin, and Norman Labelle. These commissioners do not receive a salary, although according to section 5, subsection 4 of the act of June 30, 1923, they may be paid such remuneration out of revenues of the harbour as the Governor in Council may determine.

The receipts and disbursements of this commision for the past two years have been as follows:

1923 (Calendar year)

Receipts		Disbursements	
Harbour dues	$ 7,720 73	General repairs	$ 5,176 62
Wharfages	21,987 76	Salaries of secretary and harbour master and office maintenance	8,428 02
Rental of sheds and wharves	5,765 04	Interest on debentures	18,877 31
Sundry receipts	359 13		
Totals	$35,832 66		$33,030 42

1924 (Calendar year)

Shed rentals	$ 1,220 00	Wharves, maintenance and general repairs	$ 3,669 25
Harbour dues	6,887 29	Salaries and office expense	8,663 01
Wharfages	27,331 18	Interest on current account	5,301 37
Rentals of wharves	3,870 00	Interest on debentures	6,432 73
Sundry receipts	160 24		
Totals	$39,468 71		$24,066 36

Dredging—Maritime provinces, $540,000.

Sir HENRY DRAYTON: What was done under this vote last year? What was the yardage and the amount paid?

Mr. KING (Kootenay): There was a fairly long programme. It covers some two and a half pages. I do not know whether my hon. friend would like me to read all the items.

Sir HENRY DRAYTON: We can get along without all the items. How many yards were taken out, and at what cost? What is this costing us, and what revenue are we getting? I suppose we have the average costs.

Mr. KING (Kootenay): I am sorry it has not been totalled up. It varies in the localities. One of the largest works we had was at Yarmouth. During the season of 1924-25 there were removed 298,668 cubic yards of mud at a cost of $54,097.08. In the channel there were 58,845 yards removed at a cost of $18,685.

Sir HENRY DRAYTON: How much was spent altogether?

Mr. KING (Kootenay): The amount was $379,191. At Compbellton there is a further large item; dredge No. 1 removed 159,661 yards at a cost of $34,109. I have the total which has just been sent to me. The dredges handled 974,701 cubic yards at a cost of thirty and one-third cents a cubic yard.

Sir HENRY DRAYTON: These are all our dredges?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: How many dredges have we working there?

Mr. KING (Kootenay): Eleven I think in all.

Sir HENRY DRAYTON: The dredges handled 974,701 cubic yards at thirty and one-third cents a cubic yard?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: What is to be done this year?

Mr. KING (Kootenay): The estimated costs of the operations are:

Dredge No. 1	$86,808 75
Dredge No. 2	48,485 38
Dredge No. 4	15,537 08
Dredge No. 5	56,769 00
Dredge No. 9	40,908 13
Dredge No. 11	23,871 25
Dredge No. 13	55,536 50
Dredge No. 14	11,000 00
Dredge No. 15	5,500 00
Dredge No. 16	5,000 00
Dredge No. 115	62,732 25

Sir HENRY DRAYTON: Making a total of how much?

Mr. KING (Kootenay): The estimated total for the whole thing will be $427,148.34.

Sir HENRY DRAYTON: Do you put in works under contract in connection with the general vote?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I want to find out why there are large sums for contracts put in this general vote when we are supposed to cover these things by a particular item.

Mr. KING (Kootenay): In the case of dredging to any extent we ask for a special vote, but we may have a small expenditure of $5,000 or $10,000, where we would ask for a contract.

Sir HENRY DRAYTON: We have item after item, list after list and yards of dredging, dredging, and dredging. Now we have a general vote for dredging which is a fairly heavy vote, and which apparently can be used

for the purpose of looking after the substantial contracts as well. What is the basis under which my hon. friend asks for a lump vote here as against all the other votes for dredging which we have elsewhere.

Mr. KING (Kootenay): The practice is one which has been followed for many years, and probably the proper practice. This is primarily to take care of the departmental fleet.

Sir HENRY DRAYTON: My hon. friend cannot mean that it is to give them a job.

Mr. KING (Kootenay): No, to maintain that fleet and keep them in operation. That is primarily what the vote is for. Then with regard to any larger amounts that come up we ask parliament for separate appropriations. During the course of the year it may be necessary to enter into smaller contracts at other places where the departmental fleet is not available. In that case we let contracts by tender. It is the general practice.

Sir HENRY DRAYTON: What is the contract to be let?

Mr. KING (Kootenay): No contract let yet.

Sir HENRY DRAYTON: The minister is making provision for letting a contract What is it?

Mr. KING (Kootenay): We have some small works which may be let, but it is subject to change. We have the following list:

Cape Bald, N.B., 4,000 cubic yards..	$ 2,000 00
Cape Tormentine, N.B., 18,750 cubic yards	14,062 50
Carey5s Passage, N.S., 2,000 s. m...	3,000 00
Lower St. Louis, N.B., 3,000..	1,500 00
Minasville, N.S..	660 00
McNair's Cove, N.S., 5,800..	4,930 00
Petite Riviere, N.S., 1,555 cubic yards.. ..	622 00
Seal Cove, N.B., 1,050..	1,575 00
Tenecape, N.S., 1,000..	1,000 00
Wentworth, N.S., 11,250..	4,500 00
Windsor, N.S., 3,300..	2,000 00
Total..	$35,849 50

That is the tentative programme—and it is only tentative—for this year.

Mr. KELLNER: We have an item: Windsor wharf extension, $20,000. Why does the minister not put the dredging in the estimate along with the wharf extension?

Mr. KING (Kootenay): No dredging is mentioned in the item for wharf construction. That is a separate item. We could not do the dredging out of that item unless we mentioned it and made it a dredging item.

[Sir Henry Drayton.]

Mr. KELLNER: If the minister will look at the estimates for Nova Scotia, he will notice that he has an estimate for dredging in several of the items.

Mr. KING (Kootenay): That can be done. My hon. friend is asking why this was not designated for wharf extension and dredging The wharf at which dredging is being done is another wharf in Windsor harbour.

Mr. KELLNER: There is a suspicion in my mind that the department are summing up the entire dredging in Nova Scotia, and that the minister has made a mistake and put his whole totals in here as an extra vote. If he will look it over carefully, I think he will find he is making provision for paying this twice.

Mr. KING (Kootenay): I think not.

Item agreed to.

Dredging—Ontario and Quebec, $562,500.

Sir HENRY DRAYTON: What is the yardage there?

Mr. KING (Kootenay): This is required to provide for the operation and maintenance of the dredging fleet of Ontario and Quebec. The estimate for this year is as follows:

Operation of dredges..	$258,015 84	
Maintenance,..	127,917 16	
		$385,933 00
For works to be undertaken by contract..		137,297 55
New dredging plant..		35,000 00
For surveys, inspections and advertising..		5,000 00
Total..		$563,230 55

The yardage is not given there. That is an estimate for this year.

Sir HENRY DRAYTON: What was spent last year and what was the yardage?

Mr. KING (Kootenay): I am afraid this has not been totalled, but I can give the total expenditures:

Ontario..	$211,975 59
Quebec..	305,188 41
Plant laid up..	3,423 57
Printing, messages, etcetera..	615 41
Total..	$521,202 98

Mr. ROSS (Kingston): Has the minister any information as to the increase in dredging caused by the lowering of the water in lake Ontario?

Mr. KING (Kootenay): I am sorry I have not. It would require a great deal of study and work to estimate that.

Mr. ROSS (Kingston): In the harbour of Kingston it means a great deal of dredging.

Mr. KING (Kootenay): That is true.

Mr. ROSS (Kingston): Will it not be necessary to do very much more this year at Kingston?

Mr. KING (Kootenay): I believe it is necessary to do more work at Kingston. In fact, they are asking for further surveys at Kingston. Last year the dredging department dredged 864,710 cubic yards at a cost of $323,295.06.

Sir HENRY DRAYTON: What is the cost per yard?

Mr. KING (Kootenay): I will have it worked out. As regards the estimate of cost on account of the lowering of the water in the lakes, that would be a tremendous problem. All our engineers have been instructed to keep a close tab on the flow, and they are reporting to the department from time to time. I expect the individual engineer could make an estimate, but I have not that at hand.

Sir HENRY DRAYTON: I should have thought a great deal of our troubles in the upper St. Lawrence and at Montreal would be owing to that. Is any of this vote for the Montreal work?

Mr. KING (Kootenay): No.

Sir HENRY DRAYTON: How does the minister keep his dredges from fouling the dredges of the Department of Marine and Fisheries?

Mr. KING (Kootenay): We give them plenty of leeway.

Sir HENRY DRAYTON: How does he keep them out of the way?

Mr. KING (Kootenay): We keep out of the deep water.

Sir HENRY DRAYTON: I suppose the ministers distinguish the work according to the depth to be obtained, whether it is Marine and Fisheries or Public Works.

Mr. ROSS (Kingston): I know this is not in the minister's department, but has he considered the matter of anchorage in the La Salle causeway? There is now a charge of $50 collected by the Department of Marine and Fisheries, but it is really a public work. It is one of these intermingled things. Does the minister realize that the charge for this anchorage is driving work out of Ontario and indeed out of Canada? There are only two places in Ontario where anchorage is charged for at present and Kingston having a drydock would get the benefit of the work, that is, the repair of vessels when laid up during the winter. At the present time the charge of $50 per anchorage is driving work away from Ontario by forcing boats to anchor at Buffalo. Has the minister considered this matter which is very serious and important?

Mr. KING (Kootenay): The Department of Public Works is not levying any fee for anchorage. If that is being done, it must be by the Department of Marine and Fisheries.

Mr. ROSS (Kingston): I know, but between the two departments it should be realized that this cost of anchorage is driving work out of Ontario now because free anchorage is given at Buffalo where these boats can go. As the Minister of Marine and Fisheries, (Mr. Cardin) is in his seat, I should like to draw this matter to his attention also.

Mr. KING (Kootenay): I shall be glad to have inquiries made. Of course, during the last few days in this House representations have been made that the government should make charges for all these things. If business is being forced out of the country on account of this charge, the matter should be looked into and probably adjusted. This is the first time that I have heard of an alleged charge.

Mr. ROSS (Kingston): I now draw the minister's attention to it. The La Salle causeway is not in the city of Kingston and, therefore, they cannot take it over and be responsible for its maintenance as at Goderich, where the dock and harbour are in the city altogether, and the maintenance of it has been taken over by that city. A charge of $50 is being made at Kingston, and boats which would anchor at Kingston for the winter and afford work both in and out of the drydock will go to Buffalo where anchorage is free. It is all very well to say that some collection should be made on account of certain conditions, but I think the minister ought to consider this question seriously. The steamship men tell me that they can get free anchorage at Buffalo and this being the case they are going there, leaving unoccupied the only dry dock on the lower lakes, that at Kingston.

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

Sir HENRY DRAYTON: Has the minister got the cost per yard worked out?

Mr. KING (Kootenay): Thirty-eight cents.

Item agreed to.

Dredging—Manitoba, Saskatchewan and Alberta, $90,000.

Sir HENRY DRAYTON: What is the cost per yard in this case?

Mr. KING (Kootenay): In the case of Manitoba it works out at 35 cents and in British Columbia 15½ cents per yard.

Sir HENRY DRAYTON: There is an excellent plant at British Columbia in comparison with the others.

Mr. KING (Kootenay): The work is largely hydraulic and is therefore cheaper.

Mr. CAMPBELL: What is the amount spent in each of these provinces?

Mr. KING (Kootenay): The total spent in the three provinces last year was $70,703; in Saskatchewan $10,249, in Alberta $3,747 and in Manitoba $56,706.

Mr. CAMPBELL: Whereabouts in Manitoba was the $56,000 spent?

Mr. KING (Kootenay): At Red river, in Selkirk, there was spent $10,482.85; at Selkirk, $2,257; at Selkirk slough, $5,901; at St. Andrew's locks, $864; and at Winnipegosis, $6,711. These were the principal items of expenditure during the past year. There was also one small item at Goose River, Nelson, of $190.

Mr. CAMPBELL: Was that work at Nelson done in connection with Hudson bay?

Mr. KING (Kootenay): No, it has nothing to do with the Nelson river.

Mr. CAMPBELL: Will it be necessary to spend the proposed amount this year?

Mr. KING (Kootenay): Yes.

Item agreed to.

British Columbia—dredging, $375,000.

Mr. McQUARRIE: Will this item include dredging at Ladner? The minister, I believe, has received communications in reference to the condition of the river at this point; I think he has received one from the reeve of Delta muncipality recently, because I got a copy of it to-day myself from Reeve Paterson. Last year the harbour was closed for a certain time and we could not operate the ferry, which is a very light draught vessel. This is perhaps the finest farming community in the whole of Canada, and as the farmers were unable then to ship their produce by water they are afraid that the same condition of affairs will prevail this year when the freshets subside, unless dredging is done. I do not think it is a very big undertaking and it would not involve a very large sum; but it is imperative that this work should be taken care of.

Mr. KING (Kootenay): I know the point to which my hon. friend refers; there is a large bar there. The department has spent money at Ladner at different times for the purpose of keeping open the channel, and the situation is not an easy one. Two years ago we spent something at that point. I received the letter my hon. friend speaks of and it will be considered later on.

Mr. McQUARRIE: Will this item be available for work there?

Mr. KING (Kootenay): I should think it would be.

Item agreed to.

Roads and bridges—Calumet—Bryson bridge—painting, $2,400.

Sir HENRY DRAYTON: What is to be done there?

Mr. KING (Kootenay): The district engineer has reported that the painting of the bridge is necessary in order to keep it in a proper state of repair. This bridge, which connects Calumet island with the mainland at Bryson, was originally built by the province of Quebec in the year 1874, the municipalities of Calumet and Bryson having contributed to the cost. In 1886 the bridge was reconstructed by a committee known as the Bridge committee, which was presumably formed by these two municipalities. In 1886 the Dominion government granted the sum of $4,000 as an aid towards the construction of the bridge and this was supplemented by a further grant of $2,000, making a total Dominion grant of $6,000. In the fiscal year 1905-06 the department reconstructed the bridge at a cost of $18,036 and during different years since that date has expended various sums to maintain it, totalling $10,168.

Sir HENRY DRAYTON: What did we do it with last year?

Mr. KING (Kootenay): In 1924 we reconstructed the second river pier of this bridge and refloored the structure.

Sir HENRY DRAYTON: Is this to complete the bridge? Last year we spent $12,400 and this year we are spending $2,400 in connection with a structure which originally we did not own at all. Is this the end of it, or are we going to have another vote next year?

Mr. KING (Kootenay): It is the end of it for the present, so far as I know.

Sir HENRY DRAYTON: What does that qualification mean?

Mr. KING (Kootenay): These things are all subject to damage by current, ice, or something of that kind. So far as I know this is the end of the expenditure.

Item agreed to.

Des Joachims bridge—repairs, $1,800.

Sir HENRY DRAYTON: What is our interest in that?

Mr. KING (Kootenay): There are two sections of this bridge across the Ottawa river at Des Joachims, one across the south channel and the other across the north channel. These structures were built in 1901 to replace the old bridges originally constructed in 1882. The bridge across the south channel consists of three spans, the two end spans each being 104 feet in length while the centre span is 229 feet long. The north channel bridge consists of two spans each of which is 154½ feet in length. Both bridges are set on masonry abutments and piers.

Sir HENRY DRAYTON: We spent $6,400 last year; what was that for?

Mr. KING (Kootenay): For renewing the flooring with four-inch red pine. The present vote is for painting the bridge.

Sir HENRY DRAYTON: This will clean it up?

Mr. KING (Kootenay): Yes.

Item agreed to.

Interprovincial bridge over the Ottawa at Hawkesbury; the Ontario and Quebec governments to each contribute one-third of the cost, $40,000.

Mr. KING (Kootenay): This is a revote; it has been in the estimates since 1912. At that time it was proposed to build a bridge entirely at the cost of the Dominion government; tenders were called for and a certain amount of work was done on the approaches. During the war period the work was not proceeded with. This $40,000 is in the estimates conditionally on the provincial governments sharing a part of the expense.

Sir HENRY DRAYTON: Are any negotiations proceeding?

Mr. KING (Kootenay): Yes, but they are not concluded.

Item agreed to.

Ottawa—maintenance and repairs to bridges and approaches, $10,000.

Sir HENRY DRAYTON: Which bridge is this?

Mr. KING (Kootenay): This is for the maintenance of the Chaudiere bridges and Hull causeway, $4,000; to repair stone work in arches and walls, to replace wooden sidewalk with concrete sidewalk over Blackburn and Devil's Hole channels and to repair store sheds on Mill street, $3,400; cleaning and painting (one coat), replacing top of railing and minor repairs generally to Laurier bridge $2,700.

Item agreed to.

Portage du Fort, Quebec—painting bridges, $2,700.

Sir HENRY DRAYTON: That is our bridge?

Mr. KING (Kootenay): Yes, it is a steel bridge constructed in 1901. This vote is for painting.

Item agreed to.

International bridge between St. Leonard's, N.B., and Van Buren, Maine—repairs, $2,000.

Sir HENRY DRAYTON: Our proportion is what?

Mr. KING (Kootenay): Fifty-fifty. This is required to complete laying the macadam. The work is performed and paid for jointly by the Dominion government and the state of Maine.

Item agreed to.

Telegraph and telephone lines—British Columbia—branch telephone line from Beaver lake line to Big lake, $1,400.

Sir HENRY DRAYTON: We have had a good many discussions from time to time in connection with these government lines with the view of getting rid of whatever we could. I am afraid most of them are very heavy losers. How is my hon. friend getting along? Is he now showing a profit?

Mr. KING (Kootenay): I will submit a statement a little later dealing with the general situation.

Mr. THURSTON: Is this a new line?

Mr. KING (Kootenay): This is required for the construction of a telephone line eight miles in length at an estimated cost of $1,400 to serve a number of ranchers who reside in the section. The estimated revenue will be $150 per annum.

Mr. THURSTON: Are these subsidized lines self-supporting?

Mr. KING (Kootenay): In this case you would have seven per cent on the outlay.

Sir HENRY DRAYTON: What about the cost of maintenance though?

Mr. KING (Kootenay): There would be no increase practically on account of this; there might be some in material, but in the administration it would be only incidental.

Sir HENRY DRAYTON: How many subscribers will there be on this line, and what are they to be charged?

Mr. KING (Kootenay): Five subscribers at $30 a year.

Sir HENRY DRAYTON: Does the minister think that will bring in anything worth while?

Mr. KING (Kootenay): Oh yes, I think so.

Item agreed to.

Hudson's Hope—construction of telegraph office building, $1,800.

Sir HENRY DRAYTON: What is the necessity of this?

Mr. KING (Kootenay): Up in that country it is necessary to provide the operator with living quarters. The telegraph office at Hudson's Hope is located in a building owned by our lineman and we have been paying $20 a month rent for it. There is no doubt that the operator has cause for complaint as the place is, to say the least, most unsanitary. To remedy matters it will be necessary to erect a building at Hudson's Hope for the purposes of a telegraph office and living quarters for the operator. The cost will be approximately $1,800 for the building and lot.

Item agreed to.

Telephone line, Houston to Ootsa Lake, Francois Lake, and Burn's Lake, $970.

Sir HENRY DRAYTON: What is the mileage, and what is the number of subscribers?

Mr. KING (Kootenay): Altogether it will be about 113 miles. It has been under construction since 1920-21, and this is to complete it. The estimated revenue is $1,500 a year. I have not the number of subscribers, but there is a fairly good population there.

Item agreed to.

Vancouver island district—Campbell river—Gasoline launch—further amount required, $815.

Mr. KING (Kootenay): We had an item in the estimates last year for the purchase of a launch for the use of the lineman, and this amount is required to complete payment of the purchase price.

Sir HENRY DRAYTON: I suppose what really happened was that the launch was found to cost $815 more than was provided for last year?

Mr. KING (Kootenay): The estimate was too low and we decided to expend a larger amount and get a good boat.

Mr. KELLNER: Is that a pleasure launch?

Mr. KING (Kootenay): No. It is for the use of the lineman along the coast.

Mr. KELLNER: Does this telephone line run on the water?

Mr. KING (Kootenay): In many of these places there are no roads or trails, and the only means of getting to the line is to use the water route along the coast. That is what the boat is for.

Item agreed to.

Yahk-Creston telephone line—installation of metallic circuit, $8,000.

Sir HENRY DRAYTON: What is this for?

Mr. KING (Kootenay): This amount is required for the purpose of installing a metallic circuit on the Yahk-Creston telephone line, a distance of approximately 30 miles. It will give to the people of this district direct connection with their markets in Calgary, Edmonton, Lethbridge, and so on.

Sir HENRY DRAYTON: What is the present revenue?

Mr. KING (Kootenay): I am sorry I have not that information. It is not very great, but still it is sufficient, I think, to maintain the service.

Sir HENRY DRAYTON: I do not know how we can consider these things unless we know what the revenues are. I asked the minister to give us a statement as to the position of the telephone companies, and he said he could not do so then, but he thought he would have it in a little while. Has he got it now?

11 p.m.

Mr. KING (Kootenay): I quite agree that my hon. friend is entitled to more information and I am sorry I do not happen to have it before me. This, I may say from local knowledge, is one of the best telephone sections that is being served. The district which includes Creston, Kitchener, Castlegar, Yahk, the old town of Moyie and the section about

there, is a very good country. I am satisfied that the revenue will be sufficient. There is some farming and a considerable amount of lumbering. At Yahk there is connection with the East Kootenay Telephone Company, and it is hoped eventually that the metallic circuit will extend through and give connection with West Kootenay.

Mr. THURSTON: Does the government charge a yearly rental for the phones besides the toll?

Mr. KING (Kootenay): We have no local exchange. The line from Yahk to Creston is our own telephone line. At Yahk there is contact with the East Kootenay telephone service.

Mr. THURSTON: It is really a connecting link between the two?

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: The minister at first says the revenue is small; now he suggests that it will be a very good revenue. I do not know whether he is going to leave it small or big, or whether he will hit a happy medium, but I would like to get something definite.

Mr. KING (Kootenay): I am sorry I have not with me the information as to the revenue. At present the tariff cannot be very great because the government section is merely a connecting link and their share of the tolls will be small. But with the metallic circuit that will give them a larger field and there will be an increase. I do not say it will pay; in fact, very few of these government lines do pay, but they give a service which could not otherwise be afforded, because private companies will not go into these districts. I will ascertain just what is anticipated in revenue and be glad to advise my hon. friend.

Mr. STEVENS: Is this a new link connecting up the west Kootenay and the east Kootenay systems?

Mr. KING (Kootenay): Not a new link, but an improved service. It is a metallic service, instead of underground.

Mr. THURSTON: I would like to know what the policy of the department is with respect to bonusing telephone systems in different parts of the country and just where this is done. Is it done only in British Columbia, or in other provinces as well? We have parts of Ontario, in my own constituency, for example where we could not persuade the Bell Telephone Company under any conditions to build a line, but the settlers themselves got together and built a line. They did not expect to get a revenue from it; it was built just for their own service, and without any government assistance.

Mr. KING (Kootenay): This service is largely applicable to Nova Scotia, more especially Cape Breton, which is sparsely settled and a rugged and difficult country, also to one or two portions of New Brunswick, some portions of Quebec, and then going west, it is applicable largely in Saskatchewan, northern Alberta, and the province of British Columbia.

Mr. GARLAND (Bow River): Just what justification is there in this particular district more than, for example, in the case cited by my hon. friend from Victoria (Mr. Thurston)? Why step in in British Columbia, and not in this case? Why is it not done all over? Possibly it is, but I want to know upon what basis will the federal government step in and construct telephone lines which are customarily constructed by the settlers themselves if they cannot get a corporation to come in and do it?

Mr. KING (Kootenay): I think my hon. friend, coming from the great west, knows that there are a great many isolated sections in northern Alberta where even the provincial government will not go in, but where it is necessary that there shall be some means of communication. The Dominion government have maintained that service to the advantage not only of the local people but probably of the people of Canada as a whole. Take the service in the Yukon, for example. No one will say that service was not necessary at the time it was constructed, or that it is not serving a useful purpose to-day. It does not pay a revenue sufficient to take care of the expenditure, but it is a service that has to be maintained.

Mr. GARLAND (Bow River): May I point out that in my own district many years ago we could not get a telephone service at all. We could not get the provincial government to build a line or a private company to go in, so we formed ourselves into a co-operative telephone construction company and built our own line, put up our own poles and insulators, and bought our own machines and installed them. We did not have to appeal to any government, and I cannot for the life of me see why these people cannot do the same thing. Is there a national need for this line? If there is not, it is unjustifiable.

Mr. KELLNER: I think the minister is wrong in saying the government have a line of telephones in northern Alberta. I never heard of it.

Mr. KING (Kootenay): We have them up into the Peace river country, north of Edmonton, also running east and west of Edmonton.

Mr. HODGINS: Are these local or trunk lines?

Mr. KING (Kootenay): Some are local lines, and some trunk. The line under discussion a moment ago would probably be considered a trunk line, or at least a connecting link with a trunk line. I was asked a few moments ago as to the costs of telephone operation. I have here a statement showing the cost of operation and maintenance and the revenue of the government telegraph service from 1920-1921 to March 31, 1925:

	Operation and Maintenance	Revenue
1920-1921..	$1,005,494 90	$330,470 43
1921-1922..	947,341 11	290,131 34
1922-1923..	908,840 51	289,252 66
1923-1924..	867,887 30	284,328 30
1924-1925..	834,140 80	293,924 27

That shows a decreased cost of maintenance and operation, with the revenue slightly higher this last year than during the two preceding years.

Mr. STEVENS: Does that include the Yukon?

Mr. KING (Kootenay): I think that includes the whole operation.

Sir HENRY DRAYTON: I think my hon. friend will agree that his first figures are entirely illusory for the simple reason that the dollar was of much greater value then than it is now. We have been getting rid of mileage, which largely accounts for the decrease in operation costs. We are now starting to increase the mileage here. Does my hon. friend think that is a good thing?

Mr. KING (Kootenay): We are improving the service, not increasing the mileage.

Sir HENRY DRAYTON: I am speaking of this item generally. We are having new mileage here.

Mr. KING (Kootenay): Some new mileage.

Sir HENRY DRAYTON: What is the idea? The policy of the department was to reduce the mileage. Now they are starting in with new construction.

Mr. KING (Kootenay): We will reduce the mileage where it is not necessary, but where settlement requires it, we will construct in all probability, as we have been doing in the department for years. During the last year we did cut out a very considerable mileage, especially in northern Saskatchewan, but there will be some reductions and some additions from time to time.

Accounts Branch—salaries of agents and clerks, travelling and contingent expenses of outside service, $21,000.

Sir HENRY DRAYTON: What is that item?

Mr. KING (Kootenay): This is required for salaries of agents, paymasters and clerks of the Accounts branch, outside service, exclusive of travelling and contingent expenses. We have at the Westminster agency an accountant a clerk-bookkeeper and a senior clerk-bookkeeper. At the Edmonton agency we have three officials, at St. John, and in Manitoba we have an arrangement with the bank.

Mr. THURSTON: Is this in connection with all forms of Public Works expenditure?

Sir HENRY DRAYTON: I wonder if my hon. friend has ever been able to find out just exactly what it costs to run the department, having regard to salaries and the cost of civil servants. We have often discussed this before, and I have pointed out time and again to my hon. friend and other ministers that I think it is advisable to get all our salary costs together so that we can know what they are. At the present time we have our salary costs for the inside and outside service, our costs under civil government, and further salary and clerical costs under various odd items. Could my hon. friend tell me what the whole cost of his department is in salaries of agents, employees and the like?

Mr. KING (Kootenay): I am sorry to say I have not the memorandum which I had prepared a year or two ago. At that time we did make a compilation of the total cost of the service, showing the percentages and if my memory serves me right, the showing was not bad. Unfortunately that statement is not here, and it would be impossible for me to give an estimate of the cost. I will have it looked up and brought up to date and will be pleased to submit it to the committee later.

Sir HENRY DRAYTON: I just want the committee to realize how unfair it is to expect the minister to carry on business intelligently under such a system. He himself cannot tell whether he is economizing or anything else. He does not even know what his staff are costing him, and he says it will take him some time to calculate. A great effort was made two or three years ago to ascertain, and now he does not know. We ought to have something before us so that any member of the House would know at

once what it is costing to run this department or that department. There is absolutely nothing in the accounts to tell us today. I do not wonder at the minister not knowing anything about his department.

Mr. KING (Kootenay): My hon. friend is usually fair. He has had some experience in administration.

Sir HENRY DRAYTON: That is one reason why I say this should be done.

Mr. KING (Kootenay): My hon. friend could never tell what the cost of the Finance department would be, and that would not be difficult to estimate. But that statement was properly prepared and sent to the House two years ago, and I will also say that the statement at that time, if carried out to date, would show an improvement and a decrease in cost, and I will produce that statement. I think the suggestion of my hon. friend that the minister should carry these things around in his head is not really what he intends or what he would do himself. I do not intend to do it. It is a large department, and it would be absurd to burden oneself with all these things. We have an idea of the expenditure, but to estimate offhand and put on Hansard a statement as to the cost is something I do not intend to do and could not possibly remember.

Sir HENRY DRAYTON: I am not expecting my hon. friend to remember, but I am expecting that he would have it under his hand where he could get at it, and that he would have statements carried out in such a way that he would know something about it.

Mr. KING (Kootenay): My hon. friend never did.

Sir HENRY DRAYTON: My hon. friend is entirely wrong. I did it every morning.

Mr. KING (Kootenay): My hon. friend did it?

Sir HENRY DRAYTON: If you run an office on a system it is easy to run it, and I had every single day the results as shown by the totals.

Mr. KING (Kootenay): Did my hon. friend have the amounts paid every civil servant every day? Be reasonable and fair.

Sir HENRY DRAYTON: No, but I had the annual expenditure every year, amounts paid out and the balances.

Mr. KING (Kootenay): Every day?

Sir HENRY DRAYTON: Yes.

Mr. KING (Kootenay): Well, that was to be expected of the Finance department.

Sir HENRY DRAYTON: That was the proper thing to do. But I say it is not much use getting out these statements one year if we are not going to have them again, and I should not have thought it was necessary to go to the trouble of employing experts to get out a particular statement of that kind.

Mr. KING (Kootenay): A statement every day in the Public Works department? Impossible.

Sir HENRY DRAYTON: No, I have not asked that and you know it.

Mr. KING (Kootenay): It is impossible and you know it.

Sir HENRY DRAYTON: There is no use getting down to childishness. It suits my hon. friend well. He can take to the bib as soon as he likes, but I am asking him what it will cost per annum in salaries to run the department.

Mr. KING (Kootenay): My hon. friend has it in the estimates. It is there.

Sir HENRY DRAYTON: No.

Mr. KING (Kootenay): Yes.

Sir HENRY DRAYTON: I will ask the minister what his salaries are costing him.

Mr. KING (Kootenay): I will be glad to give the information.

Sir HENRY DRAYTON: He said a moment ago that he could not tell. I would have thought, Mr. Chairman, that there should not have been much trouble getting this information.

Mr. KING (Kootenay): No trouble.

Sir HENRY DRAYTON: What is the point?

Mr. KING (Kootenay): We will have the information and there is no occasion for making such a fuss over a thing of this kind.

Some hon. MEMBERS: Carried.

Mr. GARLAND (Bow River): We are in a terrible hurry. May I suggest to the minister that, not only would the ex-Minister of Finance possibly be glad of the information, but other members would appreciate it. Do not supply it to him alone, but let us all have it. I want to get the total salaries.

Mr. KING (Kootenay): I will be glad to give it at the next sitting.

Item agreed to.

Architectural branch—salaries of architects, clerks of works, inspectors, draftsmen, clerks and messengers of outside service, $73,000.

Sir HENRY DRAYTON: What are the particulars of this?

Mr. KING (Kootenay): It is the usual item for that service, except that there is a reduction of $4,000.

Sir HENRY DRAYTON: Any resignations there?

Mr. KING (Kootenay): Yes. Three positions have been abolished, amounting to a total of $6,960, and then there is an adjustment of salaries. The statutory increases amounted to $1,140.

Sir HENRY DRAYTON: How much has been put in for retirements or has anything been done in connection with retirements or pensions?

Mr. KING (Kootenay): I gave that information some nights ago when I discussed the civil government list. That has been all tabled by this department.

Sir HENRY DRAYTON: I do not know whether that was in this list or not.

Mr. KING (Kootenay): It was.

Sir HENRY DRAYTON: It is not, so far as this vote is concerned.

The Acting CHAIRMAN: Carried.

Mr. KING (Kootenay): Has the item carried, Mr. Chairman?

Sir HENRY DRAYTON: I think, Mr. Chairman you could really respect the minister when he is on his feet trying his best to give us the information. Of course we are accustomed to that sort of thing here, but in the case of the minister may I appeal to my hon. friend to be considerate? But seriously, how can we tell how much of those retirements and pensions which are shown in your general list is attributable to this vote?

Mr. KING (Kootenay): There are three of the positions abolished which we show as being attributable to this vote.

Item agreed to.

Progress reported.

QUEBEC HARBOUR COMMISSIONERS

Hon. P. J. A. CARDIN (Minister of Marine and Fisheries) moved the third reading of Bill No. 160, to provide for further advances to the Quebec Harbour Commissioners.

Mr. WILLIAM IRVINE (East Calgary): Mr. Speaker, when this bill came up for second reading, it was brought on at a very late hour, and I did not at that time have an opportunity of expressing an opinion which I feel in duty bound to express. I, therefore, avail myself of this opportunity of expressing that opinion, and I will assure the House that I will not take many minutes to do it. Hon. members from this side of the House have been pressing to obtain some information as to the need for this vast expenditure of money, and they also have endeavoured to find out from the minister how the money is to be spent. So far the information given has been very meagre, and we have not been able to secure any intimation as to whether this $5,000,000 is to build docks, drydocks, wharves, flour mills, terminal elevators, or whatever it is to be devoted to. I frankly state that if I had been asking this House for a paltry $100 to fence in that huge hole in the street of Calgary which we have in lieu of a post office, I would have been ashamed if I could not have given a better account of what the money was required for than all the information that has been given in regard to this huge vote. If the government and those supporting this vote have failed to give us the required information, it has been very clearly shown that at the present time there is not enough traffic to warrant this expenditure and that there are ample facilities at Quebec now to take care of all the traffic and business that the port affords. The government argue that facilities should be provided. They say: Only give us the facilities and let us trust to luck for the trade. If we were to start to build a $5,000,000 elevator at Banff in the centre of the mountains and say: Some day we shall have a shipping outlet to the coast there; only give us the facilities, it would be almost as reasonable as what the government is asking us to do in this case. There is no evidence that in the near future there will be sufficient development of trade from this port to warrant parliament to vote $5,000,000 to Quebec at this time. This policy, it appears to me, under the conditions that we are facing financially and from a business point of view at the present time is sheer madness. What is the actual situation? The Montreal interests are the chief competitors with Quebec in the shipping business. We are called upon from time to time to spend millions of dollars to dredge the St. Lawrence in order to enable ships to come up to Montreal. Now we are asked to spend $5,000,000 to keep the ships down at Quebec. I have no doubt that Montreal will win ultimately in this competition. It would appear that

Montreal also has on its side the Board of Railway Commissioners. But in any event the taxpayers of this country cannot afford to play a game of this kind. I regard this vote as a crime against the helpless taxpayers of this country. It is the hand of a majority if this thing passes that is actually going into the public till and expending $5,000,000 of the public money without any reasonable account having been given of how it is to be spent and without showing that there is any real need for the expenditure.

I regard this vote as purely and simply an election vote. It may get votes in Quebec, but beyond that it is not justified. I have noticed that a number of hon. members on this side of the House have been very apologetic in opposing this bill. They have feared lest Quebec members would regard opposition to this bill as opposition to Quebec. I have no apologies to make. I am not speaking against Quebec or any other province. I am speaking against the expenditure of $5,000,000, for which expenditure there is no apparent need and which has not been properly accounted for by the minister in charge of the bill. Further, if this bill is not defeated to-night, as it ought to be, we cannot altogether blame the government, because I question whether the government has a majority to carry this if all on this side of the House were present and voted. I would not be surprised if, when the next election comes on, the government will demand to be returned on the ground that they do not have a sufficient majority. I notice that they have always had a pretty fair majority when they want to carry through something of this kind. I wonder if to-night those of us on this side of the House are going to permit a majority to carry this vote. If so, I repeat that we cannot altogether blame the government.

Mr. GARLAND (Bow River): Does the hon. member refer to the extreme right end or to the centre?

Mr. IRVINE: At the moment I am not referring to any end. I am referring to the whole side of the House. I am not going to make any suggestions about any individual or any group. But if we count heads on both sides of the House, I think we shall come pretty nearly defeating the government on this issue. Let us defeat the government on this issue. What kind of an appeal would the government make to the Canadian people on a $5,000,000 vote for nothing? I would not want any better issue to fight them on than that. If we are to have an election within the next twelve months, let us make it on this issue. Here is our opportunity and I hope we shall all embrace it.

I would not oppose this so strenuously if the government had prepared a proper way of raising the money, but they are still following the interest route that they have followed in the raising of money with regard to all other expenditures. If the government would issue this over the five years over which we are told the expenditure will be spread, directly from its treasury department, without issuing it through the money lenders, and thus allow Quebec to pay the interest that will be charged to go against the capital account, Quebec might possibly get clear some day and we would not feel that it was absolutely hopeless in passing the vote. We would at least have stepped out in a new direction with regard to financing. But the money is going to be raised by the interest route as all other votes of money are to be raised. I suggest that no harm can come by postponing this vote. It is to extend over five years at any rate. Why not try to do with $1,000,000 this year, and then next year the minister might be able to give us more information? At least he might be able to say what he had done with the million. No harm can be done to any individuals, except perhaps politicians, by postponing this vote until the next session of parliament. I have heard pretty severe criticism levelled against the Senate since I have come into this House. But if the Senate of Canada would only hold up this vote, it would perform a very excellent service to the country and it would justify its existence to the people of Canada. If those of us opposing this bill are not numerically strong enough to defeat it I sincerely hope that the Senate will do so. I therefore move, seconded by the hon. member for Centre Winnipeg (Mr. Woodsworth), that this bill be not now read a third time, but that it be read this day six months hence.

Mr. VIEN: I rise to a point of order: the member for Centre Winnipeg is not in his seat.

Mr. IRVINE: He is not far away.

Mr. WOODSWORTH: The member for Centre Winnipeg finds it next to impossible sometimes to hear what is going on; he was obliged to move nearer the chair.

The House divided on the proposed amendment (Mr. Irvine). which was negatived on the following division:

YEAS

Messrs:

Arthurs,	Bowen,
Bancroft,	Brethen,
Beaubien,	Campbell,
Black (Huron),	Chaplin,

Charters,
Clark,
Coote,
Davies,
Dickie,
Drayton (Sir Henry),
Duncan,
Elliott (Dundas),
Evans,
Forke,
Gardiner,
Garland (Bow River),
Garland (Carleton),
Good,
Gould,
Harris,
Hodgins,
Hoey,
Hubbs,
Humphrey,
Irvine,
Kellner,
Kennedy (Edmonton),
Kennedy (Port Arthur & Kenora),
Ladner,
Leader,
Lovie,
Lucas,
McKillop,
McTaggart,
Maybee,
Milne,
Morrison,
Preston,
Pritchard,
Reed,
Ross (Kingston),
Ross (Simcoe),
Ryckman,
Sales,
Senn,
Speakman,
Spence,
Spencer,
Steedsman,
Stevens,
Stewart (Hamilton),
Stirling,
Sutherland,
Thurston,
Woodsworth.—59.

NAYS

Messrs:

Archambault,
Baldwin,
Benoit,
Boivin,
Bouchard,
Boucher,
Bourassa,
Cahill,
Cannon,
Cardin,
Carroll,
Casgrain,
Chevrier,
Chew,
Déchène,
Delisle,
Denis (St. Denis),
Desaulniers,
Descoteaux,
Deslauriers,
Desrochers,
Ethier,
Fiset (Sir Eugene),
Fontaine,
Forrester,
Fortier,
Fournier,
Gendron,
Gervais,
Graham,
Hammell,
Hatfield,
Healy,
Hughes,
Jacobs,
Kelly,
King (Kootenay),
King, Mackenzie (York),
Laflamme,
Lapierre,
Lapointe,
Low,
Mackinnon,
MacLean (Prince, P.E.I.),
McGiverin,
McIsaac,
McKay,
Malcolm,
Marcil (Bonaventure),
Marcile (Bagot),
Marler,
Mercier,
Michaud,
Murdock,
Neill,
Ouimet,
Papineau,
Parent,
Pelletier,
Pouliot,
Power,
Prevost,
Putnam,
Raymond,
Rhéaume,
Rinfret,
Robb,
Roberge,
Robichaud,
Robitaille,
Savard,
Sinclair (Oxford),
Tobin,
Vien.—74.

PAIRS

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

Messrs:

Macdonald (Pictou),
Chisholm,
Copp,
Robinson,
Lovett,
Carruthers,
Stewart (Leeds),
Doucet,
Jones,
Kennedy (Glengarry),
Grimmer,
Simpson,
Duff,
Gordon,
Kyte,
Martell,
Stork,
Munro,
Séguin,
Béland,
Snowball,
Gouin,
Kay,
Bureau,
Lavigueur,
Fafard.
Black (Halifax),
Bristol,
Boys,
McBride,
Fansher,
Millar,
Stewart (Humboldt),
Brown,
MacLaren,
Guthrie,
Wilson,
Lewis,
Macphail (Miss),
Knox.]

[Mr. Woodsworth.]

Mr. MILLAR: I was paired with the hon. member for Fraser Valley (Mr. Munro). Had I voted, I would have voted for the amendment.

Mr. SIMPSON: I was paired with the hon member for East Algoma (Mr. Carruthers) Had I voted, I would have voted for the amendment.

Mr. KAY: I was paired with the hon. member for Wentworth (Mr. Wilson). Had I voted, I would have voted against the amendment.

Mr. LOVETT: I was paired with the hon. member for Charlotte (Mr. Grimmer). Had I voted, I would have voted against the amendment.

Mr. GORDON: I was paired with the hon member for Centre Toronto (Mr. Bristol) Had I voted, I would have voted against the amendment.

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

Motion agreed to on same division reversed, and bill read the third time and passed.

CANADIAN NATIONAL RAILWAYS EMPLOYEES' COMPENSATION

Hon. GEORGE P. GRAHAM (Minister of Railways) (for Hon. A. B. Copp, Secretary of State) moved the second reading of Bill No. 167 to amend an act to provide compensation where employees of His Majesty are killed or suffer injuries while performing their duties.

Motion agreed to, bill read the second time and the House went into committee thereon Mr. Gordon in the chair.

On section 1—subsection repealed.

Sir HENRY DRAYTON: Will the minister explain what is being done?

Mr. GRAHAM: This bill had to be introduced by way of resolution, and it was pretty well discussed the other day. On the Intercolonial and Prince Edward Island railways there is what is known as a provident fund, contributed to by the men and by the government. In every province as well there is a Workmen's Compensation Act. Under the law the workman had to elect whether he would take the benefits of the provident fund or of the Workmen's Compensation Act. This bill is to make it clear that the provincial statute does not interfere at all with the provident fund, they are distinct and separate, and the workman is entitled to the benefits of both. I think that is really the vital point in the whole bill. As a matter of fact all the provinces but Nova Scotia have interpreted the act to mean what we are trying to make it mean now. The last clause is retroactive in order to make it clear that the provinces that have been doing this had the right to do so.

Section agreed to.

Section 2 agreed to.

Bill reported, read the third time and passed.

On motion of Mr. Mackenzie King the House adjourned at 11.55 p.m.

Wednesday, June 10, 1925

The House met at three o'clock.

RAILWAYS AND SHIPPING

Mr. W. D. EULER (North Waterloo): I beg to present the second report of the select standing committee on Railways and Shipping. As it is the intention of the committee to ask for the printing of this rather lengthy report, I would suggest that the reading of it now might be dispensed with.

An hon. MEMBER: Put the motion for printing now.

Mr. EULER: There is another report to be presented. I will put the motion to-morrow that both be printed.

PUBLIC ACCOUNTS COMMITTEE

Mr. W. C. GOOD (Brant): I move, seconded by the hon. member for West Edmonton (Mr. Kennedy):

Whereas under an order of reference made on the 23rd March, 1925, the standing committee on Public Accounts has had under investigation the methods of assessment and collection of business profits and income taxes;

Therefore be it resolved, that the said committee on Public Accounts be instructed that they have power to consider and recommend to this House such amendments to the Income War Tax Act as may seem to them advisable.

Mr. SPEAKER: This might serve as a notice of motion.

Mr. GOOD: I should be glad if the House would agree by unanimous consent to have the motion pass now in order to save time.

Some hon. MEMBERS: No.

Mr. GOOD: If not, it will stand as a notice of motion.

Mr. SPEAKER: It is usual of course for notice to be given in such a case as this, but the motion may be entertained by unanimous consent of the House. Is that consent conceded?

Hon J. A. ROBB (Acting Minister of Finance): I would direct your attention, Mr. Speaker, to the fact that this is not a report from the Public Accounts committee. I am not questioning the opinions of the hon. members who have moved and seconded this motion, but it seems to me that in the absence of the chairman of the committee the matter might stand as a notice of motion.

Mr. SPEAKER: Stands as notice of motion.

QUESTIONS

(Questions answered orally are indicated by an asterisk.)

DOMINION OXYGEN COMPANY LIMITED

Mr. OUIMET:

1. Is the Minister of Railways aware that certain officials of the Canadian National Railways are shareholders in the Dominion Oxygen Company Limited, Toronto?

2. If so, what are the names and addresses of said shareholders?

Hon. Mr. GRAHAM: The Minister of Railways has inquired of the management, and the latter advises that it has no information on the subject.

GOLD EXPORTS

Mr. COOTE:

1. What amount of gold has been exported from Canada in each year since 1910?

2. What amount of gold was imported in Canada in each of the above years?

3. What amount of gold was produced in Canada in each of these years?

4. What was the amount of gold held in Canada on March 31st, in each of these years by (a) the government; (b) banks; and (c) central gold reserve?

Hon. Mr. COPP:

1.

Year	* Gold bearing quartz, dust, nuggets, etc.	Gold Bullion	Gold Coin
1910..	$ 6,110,473	.....	$ 1,534,998
1911..	5,364,273	.....	5,802,263
1912..	7,211,438	.....	6,141,320
1913..	11,231,476	.....	14,858,787
1914..	13,376,735	.....	22,221,147
1915..	15,409,019	.....	28,234,973
1916..	23,989,909	.....	102,318,281
1917..	19,671,026	$148,752,755	46,381,754
1918..	13,688,700	206,312,376	1,877,487
1919..	9,202,033	39,841,697	210,087
1920..	5,975,648	23,856,862	24,937,309
1921..	3,038,779	24,290,846	9,438,425
1922..	2,534,755	18,082,533	5,027,813
1923..	5,449,469	1,761,415	25,001,170
1924..	17,384,940	12,520,569	12,035,025
1925..	27,793,333	2,946,220	974,123

* Including gold bullion up to 1917.

2.

Imports Entered for Consumption

Year	British and Canadian Coin and foreign gold coin	Gold bullion in bars, blocks, ingots, drops, sheets or plates Unmanufactured
1910..	$ 4,988,236	$ 516,581
1911..	7,741,849	1,484,866
1912..	24,096,596	980,919
1913..	3,025,219	1,284,592
1914..	13,659,492	838,959
1915..	1,117,055,024	14,428,372
1916..	32,137,908	1,738,319
1917..	8,653,363	18,333,185
1918..	9,915,761	1,374,560
*1919..	.....	.....
1920..	4,343,874	46,119,620
1921..	6,104,193	1,114,582
1922..	3,872,149	916,097
1923..	25,567,420	887,811
1924..	2,533,793	962,912
1925..	3,287,846	854,446

* No record for 1919 imports.

3.

Production of Gold in Canada during the Calendar Years 1910-1924

	Fine Ozs.	
1910..	493,707	$10,205,835
1911..	473,159	9,781,077
1912..	611,885	12,648,794
1913..	802,973	16,598,923
1914..	773,178	15,983,007
1915..	918,056	18,977,901
1916..	930,492	19,234,976
1917..	738,831	15,272,992
1918..	699,681	14,463,689
1919..	766,764	15,850,423
1920..	765,007	15,814,098
1921..	926,329	19,148,920
1922..	1,263,364	26,116,050
1923..	1,233,341	25,495,421
1924..	1,525,331	31,531,389

4.

March 31st.	Gold held by Government	Gold and Subsidiary Coin held by banks	Gold in Central Gold Reserves
1910..	$ 69,736,110	$28,102,344	.....
1911..	74,159,771	34,896,742	.....
1912..	98,892,395	36,027,797	.....
1913..	98,507,112	39,053,160	.....
1914..	101,161,366	45,661,913	nil
1915..	94,644,423	65,671,275	3,500,000
1916..	120,931,622	66,372,906	5,460,000
1917..	118,561,338	72,135,431	12,310,000
1918..	119,941,748	78,255,033	19,210,000
1919..	121,141,122	80,253,572	10,500,000
1920..	104,399,455	79,990,826	10,500,000
1921..	83,381,036	84,731,382	11,502,533
1922..	84,249,497	76,468,966	9,502,533
1923..	128,740,130	70,650,447	9,502,533
1924..	102,079,238	58,616,405	9,502,533
1925..	122,811,151	57,135,318	7,002,533

TRENT VALLEY CANAL

Mr. BRETHEN:

1. When did construction upon the Trent Valley canal begin?
2. How much money has been expended on the canal to date?
3. What is the estimated cost of completion?
4. What is the total annual expenditure on construction, upkeep and operation, for each of the years 1920, 1921, 1922, 1923 and 1924?
5. What was the annual revenue during each of the above years?
6. What is the nature of the service the Trent Valley canal is intended to perform?

Hon. Mr. GRAHAM:

1. In 1833.
2. To March 31, 1925:

Capital..	$19,322,364 75
Income..	2,324,443 90
Staff (operation)..	1,363,740 78
Repairs (maintenance).. ..	1,296,629 89
Total..	$24,307,179 32

3. $3,164,452.
4. Fiscal years 1920-1924, inclusive:

Fiscal Year	Capital	Income	Staff Operation	Repairs Maintenance	Total
1920..	1,050,798 13	77,251 36	97,218 42	63,343 38	1,288,611 29
1921..	379,664 11	310,489 02	106,118 89	91,842 85	888,114 87
1922..	195,823 04	478,126 50	109,891 51	75,426 37	859,267 42
1923..	169,655 01	223,340 23	108,268 66	66,480 96	567,744 86
1924..	159,128 50	129,915 85	113,913 78	88,245 63	488,203 76
	$1,952,068 79	1,219,122 96	535,411 26	385,339 19	4,091,942 20

Outside of the renewal of decaying structures, all new construction work has been suspended since 1921.

5. Fiscal years 1920-1924, inclusive:

1920	$ 4,338 71
1921	4,162 33
1922	187,846 87
1923	28,174 56
1924	175,268 85
Total	$389,791 32

6. On completion, the Trent Canal system will provide a through water route for boats of 6-foot draught from Honey Harbour, on the Georgian bay, to Trenton, on lake Ontario, a distance of over 240 miles.

BILL No. 4—ORDER OF PRECEDENCE

Mr. DENIS (St. Denis):

Why did the government arrange for Bill No. 4, which was a public bill introduced by a private member, to be taken up for third reading on June 4, private members having no more days at their disposal?

Right Hon. Mr. MACKENZIE KING The member for West Calgary (Mr. Shaw) had two opportunities to proceed with the bill and was prepared to do so but at the request of the Prime Minister and of the Minister of Justice, he agreed to postpone the consideration of said bill, subject to the condition and the understanding that he would be given the opportunity of proceeding with it at a later stage of the session, if it could not be reached in the usual way. The government has merely redeemed a pledge made to the member for West Calgary, who has requested this being done.

QUESTIONS PASSED AS ORDERS FOR RETURNS

MESSRS. L. A. FORSYTHE AND JAMES M. DAVISON

Mr. BLACK (Halifax):

1. Has L. A. Forsythe, or James M. Davison, his partner, received legal work from any department of the government since January 1, 1922?
2. If so, what are the items, dates, and accounts for the moneys so paid to Mr. Forsythe or Mr. James M. Davison, his partner?
3. What amount, if any, is still owing them?
4. Are they at present in receipt of legal work from the government?

HON. E. N. RHODES

Mr. CARRUTHERS:

1. What amounts were paid per year by the government of Canada to the Honourable E. N. Rhodes, during the years 1919-1920, 1920-1921, and 1921-1922?
2. What amounts were paid during these years for cab or car hire for Mr. Rhodes?

UNOPPOSED MOTION FOR PAPERS

QUEBEC RIOTS—COLONEL MACHIN'S REPORT

Mr. DOUCET moved:

For a copy of the report made by Lieutenant-Colonel H. A. Machin to the Honourable the Minister of Justice with regard to the Quebec disturbances in the early part of April, 1918.

Mr. LAPOINTE: I do not know whether there is any report in the Department of Justice, and if there is I am not sure that it is not of a confidential nature. However, if it is possible to bring it down I shall have no objection.

Mr. MEIGHEN: The question was put on the order paper some time ago and the date of the riots was stated to be in 1917. The return brought down disclosed no report, and that technically was correct inasmuch as the riots occurred in 1918. But there was a report, because it was referred to in a debate in the House and was largely quoted from. It is on the files in the department and there certainly could be nothing confidential about it.

Mr. LAPOINTE: I have no objection.

Motion agreed to.

RAILWAY FREIGHT RATES

BILL TO AMEND THE RAILWAY ACT, 1919

On the Orders of the Day:

Hon. GEORGE P. GRAHAM (Minister of Railways and Canals): If I might be allowed to do so on the orders of the day, I desire to give to the House certain information concerning amendments which I propose to move in committee, to Bill No. 181, to amend the Railway Act, 1919. I do this in order that hon. members may have on Hansard notice as to what these amendments are. Personally I am of the opinion that they make no difference in the bill, but they may strengthen it. At the end of subsection (5) of section 3 I shall move to add the following:

but shall apply to all the territory west of Fort William covered by tariffs filed with the board under the terms of said agreement at the date of the passing of this act and to all lines of railway now or hereafter constructed by any company subject to the jurisdiction of parliament within such territory.

I shall also move to amend subsection (6) of section 3 by inserting after the word "thereto" in the sixth line the words "within the territory."

ANSWERS TO QUESTIONS

On the Orders of the Day:

Mr. MANION: Will the Minister of Trade and Commerce (Mr. Low) endeavour to have

questions 17, 18 and 19, relating to elevators at the head of the lakes, answered this week if possible? I should like to have the information for the purposes of discussion.

PULPWOOD RESOURCES OF MANITOBA

On the Orders of the Day:

Mr. L. P. BANCROFT (Selkirk): Has an order in council been passed dealing with the disposal of Manitoba's pulpwood resources, and will the government be good enough to lay a copy of it on the table of the House? Further, may we have an assurance that parliament will have an opportunity of discussing this matter before the deal is closed?

Hon. CHARLES STEWART (Argenteuil, Minister of the Interior): The pulpwood transaction in question is under consideration at the moment and no return can be made until the matter is consummated. It is not a matter for discussion in parliament but I have no objection to bringing down the agreement, together with any order in council dealing with the whole matter when it is possible to do so. I have no objection to making a public statement on the matter, but it is one of ordinary sales which we are making from time to time.

Mr. BANCROFT: Could not the order in council be placed on the table now?

Mr. STEWART (Argenteuil): Yes, I will bring it down.

GOVERNMENT OFFICES IN TORONTO

On the Orders of the Day:

Sir HENRY DRAYTON (West York): I want to ask the Minister of Railways (Mr. Graham) whether the newspapers of Toronto are correct, or whether he is right, in connection with the sale of railway property at the corner of King and Yonge streets, and whether he can give the House any information on the subject.

Hon. GEORGE P. GRAHAM (Minister of Railways): As usual, the Minister of Railways is right. To be fair, I may say that the agreement for the proposed sale to which my hon. friend refers has been partially completed. A year or two ago the Canadian National Railways purchased a building at the corner of King and Yonge streets for the purpose of maintaining the location which it had for its offices. Since the purchase of that building various offers have been made to the Canadian National Railways for the building, one of which, made recently, has been seriously considered. But the method of procedure is for the Canadian National Railway Company to make agreements for sale subject to approval by order in council. I believe a resolution has been passed by the Canadian National Railway Company concerning the sale, but so far it has not come to the government for approval or disapproval by order in council. I expect it in a day or two.

Right Hon. ARTHUR MEIGHEN (Leader of the Opposition): In view of the very great importance of this matter and of the amount involved, will the Minister of Railways undertake that the facts regarding it shall be laid before the House this week?

Mr. GRAHAM: That is—

Mr. MEIGHEN: The matter of the sale, or alleged sale, of the property in Toronto and the terms of the sale.

Mr. GRAHAM: Should the Governor in Council not approve of the arrangement, then there would be nothing to lay before the House. But should the Governor in Council approve of the sale, I will be glad to lay all the particulars on the table.

Mr. MEIGHEN: But my point is this: in view of the consequence of the matter, will not the Governor in Council consider it this week and either approve or disapprove the arrangement, so that parliament may know? Or if the Governor in Council have any difficulty in the premises, they might possibly consult parliament—and after that I do not think there would be any difficulty.

Mr. GRAHAM: This council never has any difficulty to speak of—

Mr. MEIGHEN: The Petersen contract?

Mr. GRAHAM: —and when the transaction is completed parliament will be entitled to all the details.

Mr. MEIGHEN: It is too late then.

Mr. GRAHAM: The Canadian National management proceeds under the act passed by my right hon. friend (Mr. Meighen) and if there are any loopholes in it I am not responsible. But, if the Governor in Council approves of this arrangement, the particulars will be given parliament, as parliament has a right to them. The Canadian National Railway board is acting under statute giving it authority to do certain things with the approval of the Governor in Council. We hope to be able to deal with the matter this week, but if the resolution does not proceed the government cannot act one way or the other.

EDMONTON, DUNVEGAN AND BRITISH COLUMBIA RAILWAY

On the Orders of the Day:

Mr. L. J. LADNER (Vancouver South): Mr. Speaker, I wish to ask the Minister of Railways (Mr. Graham) if any conclusion has been reached in connection with the negotiations for the operation of the Edmonton, Dunvegan and British Columbia railway by the Canadian National Railways, following the expiry of the operating lease now held by the Canadian Pacific Railway? If no conclusion has been reached, what is the standing of the negotiations at the present time?

Hon. GEORGE P. GRAHAM (Minister of Railways): Mr. Speaker, if my hon. friend thinks for a moment he will realize that the quarter from which to seek definite information is the Premier of the province of Alberta, who has the leasing of the Edmonton, Dunvegan and British Columbia railway in his hands. As a matter of fact that railway is now under lease to the Canadian Pacific Railway.

ARCTIC EXPLORATION AND SOVEREIGNTY

On the Orders of the Day:

Hon. H. H. STEVENS (Vancouver Centre): Mr. Speaker, I have in my hand a newspaper despatch from Washington to the New York Times dealing with a matter of very considerable importance to Canada. The despatch is rather lengthy and refers to what is known as the MacMillan-Byrd scientific expedition into the Arctic regions this summer by hydroplane. Two important questions are propounded, one being whether Canada has a valid claim to certain lands lying north of the mainland. Then there is this reference:

> High officials in Washington reiterated to-day that the Canadian government has not yet raised the question or discussed with this government the matter of claiming all land between Canada and the pole. It is learned, however, that in a recent informal conversation between Lieutenant Commander Byrd and the Canadian commission here, the latter informally asked whether he had obtained a "permit" to land on Axel Heiburg land. To ask Canada for a permit for Commander Byrd's planes to land on Axel Heiburg land would, of course, imply recognition by America of the Canadian claim of sovereignty over that land, and seems to necessitate decision by this government—

That is, the United States government.

> —as to whether it considers that Canada has a valid claim to that region.

Has the Prime Minister any information to furnish as to whether the government of Canada has made any representations to the government of the United States on the subject? If no action has been taken, is there not a grave danger that the right of Canada to large areas in the north—at present not deemed very valuable, but which in the future may be so—will be jeopardized?

Hon. CHARLES STEWART (Minister of the Interior): Mr. Speaker, this government has been very much alive to what we claim to be the possessions of Canada in the northern territory adjacent to the Dominion. Indeed, I made the statement in the House the other evening that we claimed all the territory lying between meridians 60 and 141. This afternoon when dealing with the estimates of the Department of the Interior I propose to bring down a map to make it clear what precautions we are taking to establish ourselves in that territory and to notify the nationals of foreign countries passing over it that we think Canada should be advised of their plans and that they should ask for permits from the Canadian government. That is the extent to which we have gone at the moment. I might say further to my hon. friend from Vancouver Centre that some considerable time ago a despatch dealing with the subject was sent to Washington, to which we have had no reply.

ALTERNATIVE VOTE

On the Orders of the Day:

Mr. R. A. HOEY (Springfield): Can the Prime Minister tell us, Mr. Speaker, when we may expect the government to proceed with the legislation dealing with the single transferable vote? I understand that the Prime Minister, near the close of last session, gave a definite promise that the matter would be dealt with some time this session, of which we are getting pretty near the close.

Right Hon. W. L. MACKENZIE KING (Prime Minister): As my hon. friend is aware, there are two bills on the order paper relating to the Dominion Elections Act. One is before a committee of the House at the present time. As soon as the committee reports it is our intention to proceed with that bill, and when it is concluded we will take up the measure dealing with the single transferable vote.

Mr. HOEY: It will be disposed of this session, then?

Mr. MACKENZIE KING: It depends on how long it takes. We have a good deal of material before us. We are going ahead as fast as we can.

EXPORT OF POWER

On the Orders of the Day:

Sir HENRY DRAYTON (West York): Mr. Speaker, may I ask my hon. friend the Min-

ister of Trade and Commerce (Mr. Low) whether he has yet had an opportunity to get out that order in connection with exempting the Ontario Hydro-Electric Commission from taxation on the export of electricity?

Hon. T. A. LOW (Minister of Trade and Commerce): No order has been passed.

Sir HENRY DRAYTON: Is there anything I can do or that anyone else can do to help, Mr. Speaker?

RHINE FRONTIER

On the Orders of the Day:

Mr. J. S. WOODSWORTH (Centre Winnipeg): Mr. Speaker, yesterday I asked the Prime Minister whether Canada was a party to any security pact with France with regard to the Rhineland. I should like to have the assurance of the Prime Minister as to whether Canada is under any obligation with regard to the security pact which has recently been made, and how soon he can give us a statement as to the exact position which Canada has taken in this matter.

Right Hon. W. L. MACKENZIE KING (Prime Minister): I do not know that I can give my hon. friend any more explicit information than that no compact or treaty that I know of has been entered into as yet. What has taken place in respect to the matter to which my hon. friend refers is that Great Britain and France have together negotiated the basis of an agreement for further negotiations with Germany. The discussions in Europe between Great Britain and France have had relation to the possible framing of a security pact, one condition of which is that Germany shall be a member of the League of Nations. The government has been kept informed of these negotiations between Great Britain and France, but our opinion has not been asked upon them, nor have we been requested to express any view as to what Canada's attitude may or may not be. Until asked and until some expression of view is requested, the government does not propose to precipitate itself into a discussion that is taking place in Great Britain and of which we have no knowledge beyond what has come to us in the manner that I have just described.

HOME BANK

PROPOSED PAYMENT TO DEPOSITORS TO THE AMOUNT OF $5,450,000

Hon. J. A. ROBB (Acting Minister of Finance) moved the third reading of Bill No. 182, for the relief of the depositors of The Home Bank of Canada.

[Sir Henry Drayton.]

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

INCOME WAR TAX ACT, 1917

REPEAL OF SECTION 25 CONSTITUTING LIEN UPON ASSETS OF TAX PAYER

Hon. J. A. ROBB (Acting Minister of Finance) moved the second reading of Bill No. 183, to amend The Income War Tax Act, 1917.

Mr. W. C. GOOD (Brant): In view of the possibility of further amendments to this act being suggested by the committee on Public Accounts. would it not be better to let the matter stand for a week or so, and proceed with the bill after we have had the suggestions from the committee?

Mr. ROBB: As I explained to the House yesterday, the government feel—and in this we are supported by the department administering the act—that we have sufficient security without the lien which is proposed here. It is represented to us, and I concur in that view, that if the provision respecting a lien is left there, the result may be a material interference with the business of the country. It seems to me we should expedite the passing of the bill.

Mr. GOOD: I was misunderstood, I think. I am not objecting to the bill. I only suggested we might let it stand so that further amendments might be incorporated in it. Perhaps that can be done in committee.

Mr. ROBB: I think we will go on with it.

Motion agreed to and bill read the second time.

Mr. COOTE: Has this bill been printed? It does not seem to be on our files.

Mr. ROBB: It has been printed. I have a copy.

Mr. SPEAKER: I have a copy in my hand.

Mr. GARLAND (Bow River): I suggest that it would be improper to continue with this bill until copies of it are in our hands. They are not on our files.

Mr. ROBB: We can go into committee on it. There is only one clause in the bill. It reads as follows:

1. Section twenty-five of The Income War Tax Act, 1917, as enacted by section seven of chapter forty-six of the statutes of 1924, is repealed.

Mr. ROBB moved that the House go into committee on the bill.

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

On section 1—Lien for income tax repealed.

Mr. GOOD: I wish to repeat my suggestion now that the bill is in committee, namely, that it should not go out of committee until we have had an opportunity to incorporate in it any further amendments that may be suggested to the Income War Tax Act. Otherwise we shall be in the curious position of introducing two bills in the same session to amend the same act. There are no objections to this particular amendment, but I think it is premature in view of the probability of the offering of further amendments a little later.

Mr. ROBB: As the session is getting well along, and as there appears to be no objection from any part of the House to the repeal of this section, I suggest that the bill be allowed to go through. We shall be prepared to consider whatever recommendations are made to the House by the committee on Public Accounts, but in the meantime I do not think it is wise to delay this legislation.

Mr. COOTE: Will the minister inform the committee just what this lien covers?

Mr. ROBB: It covers everything—a prior lien.

Mr. COOTE: On the assets of the person assessed—is that it?

Mr. ROBB: I understand so, yes.

Mr. COOTE: And this removes the lien entirely?

Mr. ROBB: Yes.

Mr. COOTE: Was the provision necessary in the first place, or in what respect is the condition different now?

Mr. ROBB: I am not going into a discussion of that. I think it is wise now to repeal it.

Mr. COOTE: I would like to get the reason why it should be repealed. I do not think any reason has so far been given.

Sir HENRY DRAYTON: I sincerely hope that this bill will be passed. The provision which it repeals is a clog on business; it holds up applications for loans, particularly in the west; it places a mortgagor in the position of not knowing where he stands. The repeal is asked for from every section of the country. Simply because the government was wrong two years ago, should we now object to their getting themselves right in one instance? I am quite willing to admit that the government are generally wrong.

Mr. COOTE: All I am trying to find out is why it is being asked for. That has not been stated.

Sir HENRY DRAYTON: The reason is simply as I have stated it. There is no proper way of handling this thing from Ottawa. A man may be fortunate in this year's crop and he may have $5,000 to invest. He searches the title of the property on the security of which he proposes to make a loan and finds that it is perfectly clear. After he has made that investment, that loan, a certificate may be mailed from Ottawa conveying the information that a whole lot of income taxes constitute a prior lien against that property. It was an extraordinary, unnecessary, arbitrary and ill-considered measure. The government appear now to be in a moment to calm and considered thought, and we should take advantage of that and get rid of this legislation.

Mr. GARLAND (Bow River): Is it not true that the whole effect of this legislation will be to give to commercial mortgage companies a prior lien instead of to the government?

Sir HENRY DRAYTON: No.

Mr. GARLAND (Bow River): Well, it maintains their lien and disposes of the government's lien. I would like to have an explanation from the minister.

Mr. FORKE: I agree with the views of the hon. member (Sir Henry Drayton) in regard to this matter, but I think the committee is entitled to some explanation from the minister of just what it means. I know what it means, because I have been familiar with this thing at a previous stage of my career. Undoubtedly the legislation is wrong and constitutes an interference with private contract. But will the minister tell us just what the amendment involves.

Mr. ROBB: I will give my hon. friend an illustration. Suppose I bought a property from my hon. friend and had only $1,000 to pay him, and he took a mortgage for $5,000. If later on it was discovered that I owed the government $6,000, the government would have priority over that mortgage for $5,000, and my hon. friend who had sold me that property in good faith would be out his money. We feel that would be unjust to lenders in good faith. It is injurious to debtors also, because it works against them borrowing money and being treated leniently, and it is also bad for the national credit. As I

explained yesterday, the government has certain priorities. We have priority over all unsecured creditors in case of insolvency. The government, by merely filing an assessment in the Exchequer court at the end of the time during which the taxpayer may appeal, may obtain an immediate judgment which binds the property of the taxpayer as soon as it is placed in the hands of the sheriff. We have ample security now, and I admit frankly as the ex-Finance Minister (Sir Henry Drayton) says, that it would have been just as well if this lien had not been put on.

Mr. COOTE: How will this affect the amounts that are now due the treasury? Will it do away with the lien that exists for a debt?

Mr. ROBB: There is no lien yet. This was only to come into force in the fall.

Mr. BAXTER: There is something more perhaps that may be said on the subject. I do not want to take up much time, because I really think the House should have passed this without discussion. But among lawyers there is considerable doubt as to whether the bill would have the effect that it is commonly supposed to have. Not long since I happened to be present during the arguing of a case in the Supreme court where, upon another older taxing statute, there was a very interesting discussion. No judgment has been rendered yet, but the argument was put forward very strongly that measures of this character only create what one of the judges termed a hovering charge, something that could only be made applicable when the government took some action. I cannot possibly anticipate the decision of the court, but I can say that there is a difference of opinion among lawyers, and no man is in a position to say to-day that this does create such a charge as we want to remove. But there is the danger that it may and surely not only the business world but every man who has any transaction with regard to real estate or any property ought not to be left in a state of uncertainty as to the law. It is far better to repeal this and be clear and know where we are at.

I might add to the illustration the minister gave that it is not merely the case of mortgages whether taken by a loan corporation or not, but if the act does apply immediately as a charge, it applies where there has been an actual sale by one man to another and full payment made, and the man who thinks he has bought the property has taken over an unknown and unascertained obligation from another. That is one possible view of the act, and if it is pushed to its extreme limit, that would be the effect. I did not think when it was up before that anyone in Canada wanted legislation of that character; I do not think so to-day, and I think the House will do its work best by getting rid of this legislation as quickly as possible.

Mr. MEIGHEN: Having been opposed to the original legislation, I am naturally in favour of its repeal. I inquire of my own self how the minister, who acknowledges that we had ample security already, explains how he ever came to pass this legislation. While I am on my feet may I ask if the minister, as the responsible trustee of the treasury, has ever calculated how much this country would save, how much this parliament would save in time, if we did not have to correct the blunders of this government.

Mr. ROBB: I have spent a little time correcting some blunders of my right hon. friend as well as my own.

Mr. MEIGHEN: He made some changes, but he has changed them all back again.

Mr. CAMPBELL: Do I understand the minister to say that under the law as it is at present there is automatically, without any registration, a lien created on the property?

Mr. ROBB: No. I said the federal government has priority over all unsecured creditors. We are privileged creditors.

Mr. CAMPBELL: Would not another creditor taking a mortgage on the property be quite secure unless there was anything prior registered against it? Do I understand the Finance department has a claim without registering anything against the title?

Mr. ROBB: That would be the effect.

Mr. GARLAND (Bow River): Could not the same argument be used in the case of defunct banks owing money to the government as is now being used in this case by the minister? If you open the door to this, is it not possible to carry it to an extremity and exempt such banks from repaying the government?

Mr. ROBB: I would not think so.

Section agreed to.

Bill reported.

BUSINESS OF THE HOUSE

Right Hon. W. L. MACKENZIE KING (Prime Minister): I might explain that it was the intention of the government to proceed early this afternoon with the second reading of Bill No. 181 to amend the Railway Act. My hon. friend the leader of the Progressives (Mr. Forke) has asked that we should

perhaps not proceed with it to-day but give a little more time and I think probably it would be the wish of the House to meet him in that regard; that is, we could take up that bill to-morrow, and perhaps now go into Supply.

Mr. MEIGHEN: In view of the amendments suggested to-day, a day's notice is necessary.

Mr. MACKENZIE KING: The amendments are just an amplification of what is there.

SUPPLY

INTERIOR DEPARTMENT

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

Expenses connected with the Dominion Observatory at Ottawa, $50,000; Expenses connected with the Dominion Astrophysical Observatory at Victoria, B.C., $18,500.

Mr. GARLAND (Bow River): Before the item carries would the minister give some of the details in connection with the expenditures of the Victoria observatory? I do not think we have ever had any detailed list of those expenditures. How much was spent last year?

Mr. STEWART (Argenteuil): The vote was the same as for this year, $18,500.

Mr. GARLAND (Bow River): What are the details of the expenditure?

Mr. STEWART (Argenteuil): The details are as follows:

Astronomer, H. H. Plaskett		$2,640
Assistant Astronomer		1,800
Secretary		1,440
Instrument maker foreman		1,860
Part-time Chauffeur		720
House allowance—		
Mr. Harper		600
Mr. Young		600
Mr. Plaskett		600
Assistant astronomer		480
Temporary assistance		2,280
Total		$11,340
Printing and Stationery—		
Printing publications	$1,460	
Books, periodicals and binding	600	
Stationery	400	
		2,460
Supplies and maintenance—		
Instruments and apparatus	$1,200	
Photographic supplies	500	
Machine and instrument work	500	
Hardware and chemicals	400	
Automobile maintenance	600	
Postage, freight, telegraph	1,100	
Contingencies	400	
		4,700
Grand total		$18,500

Mr. GARLAND (Bow River): For whom is the automobile maintained, the cost of operating it, and what it costs to maintain the chauffeur? Is that all government work, and what is the expenditure for?

Mr. STEWART (Argenteuil): The observatory I am informed, is seven miles from the town, and an automobile has been supplied for the purposes of transportation back and forth.

Mr. GARLAND (Bow River): What is the annual cost of the upkeep of the auto?

Mr. STEWART (Argenteuil): Six hundred dollars.

Mr. GARLAND (Bow River): That seems very high. What is the nature of the car? You could buy a new Ford car every year for that cost.

Mr. STEWART (Argenteuil): I cannot give my hon. friend that information.

Mr. GARLAND (Bow River): The minister should ask his department a few questions about that, because it seems to me to be quite a sum of money for the annual maintenance of an automobile. It must be a very expensive car and used quite a lot. The minister says the observatory is only seven miles from town, but if the purpose of the car is to get the astronomers out there and back again it seems to me they must be running to and fro every day to cause such an amount of wear and tear.

Mr. STEWART (Argenteuil): The car is used for the benefit of the institution; it is not intended for the benefit of any particular member of the staff.

Mr. GARLAND (Bow River): I think the minister might look that matter up. What is the nature of the publications in question, and are they available to the general public?

Mr. STEWART (Argenteuil): Yes, they are. They are the same as are got out here and relate to various subjects of public interest, that is of interest to the scientific public. To be frank, I have never read these publications myself, therefore I cannot speak with first-hand knowledge.

Mr. GARLAND (Bow River): Then there is the item for publishing stationery and so on, amounting to $2,460. I am not sure to what extent publicity of the articles prepared is given, or how widespread the publication is, but it seems a large sum of money to spend on astronomical matters.

Mr. STEWART (Argenteuil): I have been somewhat amazed at the interest taken in this work. Mr. Plaskett, as hon. gentlemen know, is an authority on astronomical questions, and his publications are very widely read. I believe, too, that he has had the honour of making some interesting discoveries. I do not say that the publications which emanate from the Victoria observatory are any more important than those issued at the Central observatory here. At the same time I do not think that for an institution of this kind, in view of the importance of the work carried on, the sum of $1,400 is too large for the purpose of printing publications.

Mr. GARLAND (Bow River): I should like to know a little more about it; I am not quite sure that the minister's explanation is satisfactory.

Mr. MEIGHEN: It is the intention, I presume, to continue the Victoria observatory work?

Mr. STEWART (Argenteuil): Yes.

Mr. MEIGHEN: The vote for the Ottawa observatory used to run to about $35,000 or $36,000 up to 1921, I think it was, when it was increased. There was some special cause for the increase, I forget just what it was. Since then it has been maintained at the high figure. One year it was as high as $58,000; It is now down to $50,000. Does the number of employees run about the same as during those years? Why is it impossible to get back to the old regular figure of about $36,000?

Mr. STEWART (Argenteuil): I am sorry but I have not at present before me the detailed statement of expenditure.

Mr. MEIGHEN: How many employees are there now?

Mr. STEWART (Argenteuil): I will give the names: Messrs. Hodgson, Henroteau, McClenahan, Henderson, Madill, Dier, Walker, Bird, O'Connor, Shore, Rochester, Williams, Dolan, Dickson and Hackett. There are two assistant astronomers and a messenger clerk.

Mr. MEIGHEN: Is Mr. DeLury not there?

Mr. STEWART (Argenteuil): I am told that Mr. DeLury appears in the civil government votes with Mr. Stewart.

Mr. MEIGHEN: Who is the head of the observatory since the death of Dr. Klotz.

Mr. STEWART (Argenteuil): Mr. R. M. Stewart, who was his assistant up to the time of his death.

[Mr. E. J. Garland.]

Mr. MEIGHEN: How many are in the civil government vote?

Mr. STEWART (Argenteuil): There is a staff of thirty-nine there and twenty-one are under the civil government vote. I will give the details of the expenditure:

Caretaker's supplies	$ 100
Charwomen's wages	1,570
Carpenter shop	450
Machine shop	500
Printing and stationery et cetera	700
Printing publications	2,500
Photographic supplies	400
Groceries and provisions	250
Laundry	75
Furniture and fittings	25
Express	100
Freight	50
Street car tickets	100
Telegrams	50
Miscellaneous	100

Mr. MEIGHEN: What are the street car tickets for?

Mr. STEWART (Argenteuil): I understand that street car tickets have always been furnished to the staff for night work and special duty on account of their being out at the experimental farm.

Mr. MEIGHEN: Are any new instruments being installed?

Mr. STEWART (Argenteuil): Yes. There is a new instrument on order from Paris—a photographic photometer.

Mr. MEIGHEN: Have there been any discoveries of importance of late years showing the practical value of the institution? And how did the instruments and the general records give account of themselves in connection with the late earthquake in Ottawa?

Mr. STEWART (Argenteuil): The instruments registered in the last earthquake more quickly than at distant points. They were accurate. An interim report has already been published with regard to the recent earthquake as it affected eastern Canada, and a further more detailed report will follow.

Mr. MEIGHEN: Is the government still impressed with the wisdom of maintaining the second observatory? I was not responsible for its institution, but I understood there were at Victoria certain advantages, for instance climatic, and I do not know what the other advantages claimed were. By "climatic," I mean the nature of the atmosphere was such as to facilitate observations. Is the government convinced that this has been vindicated by experience, and if so, has the government considered removing all the instruments to Victoria and utilizing the one observatory alone?

Mr. STEWART (Argenteuil): The large telescope that is installed at Victoria can be used more advantageously there than here on account of atmospheric conditions. But for general observations, the smaller instruments are very valuable and useful at this point. Personally, I had never heard of any intention of establishing an observatory at one point alone in Canada. My right hon. friend is aware that in the United States observations are located at many points. True, their population is much larger than ours.

Mr. MEIGHEN: How many have they?

Mr. STEWART (Argenteuil): Twenty or thirty, I understand. The one I was thinking of from records published and the one from which I see, perhaps, the most authentic reports, is the one on the coast located in California.

Mr. MEIGHEN: The Lick Observatory?

Mr. STEWART (Argenteuil): Yes.

Mr. MEIGHEN. I do not think the United States have as many government observatories as that.

Mr. STEWART (Argenteuil): There are two government observatories. The others are private and university observatories.

Mr. MEIGHEN: That is what I thought. I do not like to speak against the maintenance of two observatories in Canada. When men of scientific training are engaged, they have a right to expect reasonable treatment at the hands of their employers, but I hardly think we should be maintaining as many observatories as the United States. I presume the cost to the country is in the neighbourhood of $150,000 a year, perhaps more than that.

Mr. GARLAND (Bow River): Is it not more than that?

Mr. STEWART (Argenteuil): There is the $18,000 and the $50,000, plus the salaries of the twenty-one men.

Mr. MEIGHEN: I would not think those would run over $80,000.

Mr. STEWART (Argenteuil): The amount does not come to $150,000.

Mr. MEIGHEN: I have not overestimated, have I?

Mr. STEWART (Argenteuil): I think the right hon. member has.

Mr. MEIGHEN: The hon. member for Bow River thought I was away under, so on the government's reasoning I must be right. Under their policy they find what one extreme wants and another wants, and their own intelligence leads them to go half way between. I, however, have not done that. I think I was about right in my estimate. The eminence of both gentlemen at the head of those institutions is well known. Dr. Plaskett I have known the best and he has certainly done excellent work. There might be economy in using the institution that is best adapted for the purpose and, as vacancies occur, concentrating appointments. I do not say that I feel very keenly on the question. I would not like to see the government go out of the enterprise altogether. We cannot afford to do that. We must hold up our end of the astronomical work of the world. But we ought to do it on as economical a basis as possible.

Mr. STEWART (Argenteuil): I agree fully as to the value of the institution. I frankly confess that I am not in a position to explain all the value of the scientific work done. But I have been looking into the total cost and I find it is about $130,000.

Mr. MEIGHEN: It is about $70,000 apart from the salaries of eighteen men on the permanent staff here and, I should think, about ten on the permanent staff at Victoria.

Mr. STEWART (Argenteuil): There are four on the staff at Victoria.

Mr. MEIGHEN: All that will run a good deal over $30,000. It is absurd to think that men of the type employed here could be employed at that figure. There are in the institution here in certain lines of mathematics men who are perhaps as good as any on the continent or better.

Mr. STEWART (Argenteuil): Strange to say however their salaries are by no means unreasonable in comparison with those paid in other scientific work.

Mr. MEIGHEN: I do not think the salaries are at all high.

Mr. GARLAND (Bow River): I feel much as the leader of the opposition does; I have no desire to curtail scientific work of this character. I suggest however that the minister might give us the details of such items as automobile maintenance and expenses, and that sort of thing. There are a number of places where he might adopt the policy of Mr. Coolidge. I was very much flattered when the leader of the opposition represented himself as being at one extreme and myself at the other; if I am at the opposite pole to my right hon. friend I am all right.

Mr. MEIGHEN: There are a great many men in the country who feel much the same, but most of them are locked up.

Mr. GARLAND (Bow River): That has always been the attitude of the autocrat toward the democrat.

Item agreed to.

Topographical and general surveys—traverse of northern rivers and lakes—aerial surveys—classification of lands for forestry, settlement and the development of Canada—plotting and printing plans, etc., $400,000.

Mr. STEWART (Argenteuil): There is a reduction this year of $70,000, and the committee will remember that we made a considerable reduction in this work last year. Year by year therefore we are trying to reduce these expenditures. We have now complete arrangements with all the departments in connection with topographical survey work, so that the fear expressed by some members on former occasions as to overlapping in various departments is not justified. The work is completed before the parties start out for the field—I refer, of course, to the topographical work done by the Department of Mines and by the Department of Defence. We have a plan by which the work done by the various departments shall be co-ordinated to avoid any overlapping.

Mr. MEIGHEN: How many are on the Topographical Surveys now?

Mr. STEWART (Argenteuil): Inside and outside there are 208.

Mr. MEIGHEN: How many were there last year?

Mr. STEWAIT (Argenteuil): There were seventeen more last year.

Mr. MEIGHEN: The reduction of seventeen would not account for the reduction in this vote. What I fear is that unless the reduction in staff coincides with the reduction in the vote we shall have a lot of men idle. Are the men being fully employed who are there now? You cannot account for a reduction of $70,000 in the vote by a reduction of only seventeen in the staff; there must be a good many men idle.

Mr. STEWART (Argenteuil): There has been a reduction in field expenses of $33,003, in salaries of $34,547, and in office expenses of $2,450.

Mr. MEIGHEN: From what areas has the minister withdrawn?

[Mr. E. J. Garland.]

Mr. STEWART (Argenteuil): The following are the decreases:

Province—	Decrease
Manitoba	$ 6,290
Saskatchewan	19,250
Alberta	20,663
Yukon	3,000

And the work on the British Columbia-Alberta boundary having been completed, there is a further saving there of $7,000.

Mr. McTAGGART: There is a reference in this item to a classification of lands for forestry. I have in mind a forest reserve in southwestern Saskatchewan, the Big Stick forest reserve, in the Big Sand Hills, which was recently transferred from the Forestry branch to the Timber and Grazing branch. On whose recommendation was that done?

Mr. STEWART (Argenteuil): I am informed that Mr. Lonergan made the inspection and reported in favour of the transfer.

Mr. McTAGGART: Did he give reasons?

Mr. STEWART (Argenteuil): We have a complete report on the matter from him.

Mr. GARLAND (Bow River): The minister informed the committee that during the last year a closer co-operation had been effected with the departments of Mines and Defence.

Mr. STEWART (Argenteuil): I would not say "closer," because we have been doing this for three years. I merely mentioned it in passing to remind the committee that, this criticism that there might be overlapping, we had frequently before. We always have a complete understanding of the nature of the work to be done.

Mr. GARLAND (Bow River): With reference to the prevention of duplication of work, has the minister been as successful in the Geodetic branch?

Mr. STEWART (Argenteuil): They are working in conjunction with the other surveys all the time, and also with the provincial surveys, so there is no overlapping. All these services have a complete understanding before they take the field as to what areas they shall cover and the nature of the work they shall undertake.

Mr. GARLAND (Bow River): I congratulate the minister on effecting that much change during the year. He will remember that in discussing the vote for the Bureau of Statistics it was suggested that the bureau should be empowered to go in and advise on the standardization of the collection and com-

pilation of statistics in the various departments. So in this case I would suggest to the minister that a great deal more effective work would be possible, and economies could be effected, if one certain branch—the Topographical Surveys preferably, because it has the more important work to do—were made advisory to those engaged in similar work in the other departments. I would strongly recommend that to the minister. I was disappointed to find from his explanation of the reduction this year of $70,000 that it was made somewhat at the expense of the work being done. The last thing I had in mind last year in my criticism of the vote was that the service was not satisfactory or desirable. I tried to point out that the western farmers' organizations and the Alberta government were very well pleased with the work and would like to see it completed, especially the land classification. I have seem some of the maps and they are splendid. I did hope that the reduction this year would be explained by the minister as arising out of economies effected by co-ordination, and I am not very well satisfied to find that it is due to the work being curtailed.

Mr. STEWART (Argenteuil): We are not reducing the parties engaged on the land classification work. It is a new venture, having been taken up only within the last two or three years. But the subdivision work in all the western provinces is very much ahead of settlement; generally speaking, to the extent of millions of acres. There is no curtailment of the classification work, but of course we have not increased it.

Mr. GARLAND (Bow River): In what direction has the work been curtailed, then?

Mr. STEWART (Argenteuil): We are not doing any subdivision work this year, I am informed, so the curtailment is largely in that line. Then the Alberta boundary surveys have been completed. The levelling parties are now entirely under the control of the Geodetic branch.

Mr. GARLAND (Bow River): That is not so bad. But I do not wish the minister to be under any misapprehension as to my attitude in this matter. I think the department is doing splendid work, but I still think that further economies could be effected by continued presssure on the part of the minister to secure co-ordination. If he would follow my suggestion and place the Topographical branch in charge of the other branches in an advisory capacity, I think economy could be effected and more concentrated and logically followed work would result.

Mr. STEWART (Argenteuil): I agree with my hon. friend. I am very much in favour of a number of the services that are scattered around in two or three departments being brought together under one head; I have always been a consistent advocate of this policy. But sometimes my motive is misconstrued and it is suspected that I am reaching out to grab somebody else's department. I say that frankly. But that is not the idea. I want to make it clear to the committee that as far as we have a complete understanding with other departments engaged in somewhat similar services there will be no further overlapping.

Mr. MEIGHEN: Who is the head of this branch?

Mr. STEWART (Argenteuil): Mr. F. H. Peters, who was formerly in the Irrigation branch.

Mr. MEIGHEN: Who has taken the place of Dr. Deville?

Mr. STEWART (Argenteuil): Mr. J. D. Craig, who was his acting assistant.

Mr. KELLNER: I should like to ask the minister about a timber berth in Alberta which was advertised for sale last year at an upset price, I think, of $3 an acre. At the sale the berth was bid up to about $60 an acre and then withdrawn. Was the price too high, or why was the highest bid not accepted?

Mr. STEWART (Argenteuil): This was the subject of a good deal of discussion during the Edmonton provincial by-election.

Mr. KELLNER: Unfortunately I did not attend the meetings, so I did not get the benefit of the discussion.

Mr. STEWART (Argenteuil): I am very glad indeed to make the matter clear to the hon. gentleman. The sale was advertised in the ordinary way. The berth is located about fifteen miles or more from the railway. During the by-election to which I have referred it was stated that changes had been made in the regulations governing the sale. No changes were made. Mr. Conroy, one of the bidders, was acting on behalf of the Hebridean Colonization Society. Indeed, I think it was at their request that the berth was put up for competition, and a survey showed that there was a considerable amount of sawn timber on the berth as well as a number of ties. These ties were expected to be the main product of the berth. Ties and telegraph poles are, I think, always subject to fixed dues of ten cents for dry and fifteen cents for green. Then, bonus bids are asked

on the berth when it is put up for public tender. Mr. Driscoll, who is a well-known timber operator in Edmonton, also began bidding, and between them the berth was bid up to $60 a thousand feet. The clerk in charge, realizing at once that something was wrong, withdrew the sale, on the ground that it would be utterly impossible to accept such a bid and that the parties bidding must have misunderstood the regulations or they would not have bid so high for the timber. The berth is still on our hands. I am informed that both the parties thought they might take the ties off without having to take off the timber, which of course was a mistaken idea. If they had examined the provisions under which the sale was put up, no such thing could have happened. Under the circumstances I think the official exercised good judgment in withdrawing the sale entirely.

Mr. McTAGGART: I understood the minister to say that a survey was recently made of the Big Stick Forest Reserve and that an officer of the department recommended the transfer of the reserve to the Timber and Grazing branch. Would the minister bring down the recommendation and report?

Mr. STEWART (Argenteuil): Yes.

Mr. SPENCER: Is every opportunity given to incoming settlers to get hold of the land classification maps and the information pertaining thereto?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: What is the difference between the Topographical survey and the Geodetic survey?

Mr. STEWART (Argenteuil): The Geodetic survey is for the purpose of establishing fixed points from which the Topographical survey begins its work.

Mr. McQUARRIE: What benefits are derived from these surveys, and is there to be any end to them?

Mr. STEWART (Argenteuil): The Geodetic survey are establishing these fixed points for all time, for all surveys and mapping.

Mr. McQUARRIE: In what provinces has this topographical work been done?

Mr. McBRIDE: I do not think this should be repeated; the information has already been given as to the different provinces. Why should we have to sit here and listen to this all over again for the benefit of an hon. member who was not in?

[Mr. C. A. Stewart.]

Mr. STEWART (Argenteuil): I can give my hon. friend the figures for each province in respect to land survey, topographical survey, classification of lands, control and exploratory surveys, governing surveys, supervision, inspection, and surveys unprovided for. They are as follows:

Maritime provinces	$27,700
Quebec	10,000
Ontario	8,260
Manitoba	18,160
Saskatchewan	21,250
Alberta	23,387
British Columbia	15,500
Northwest Territories	15,240
Total	$139,947

There are nineteen parties engaged in the work.

Item agreed to.

Investigations, reconnaissance, triangulation, precise levelling, geodetic astronomy, etc., $270,500.

Mr. McQUARRIE: Can the minister give the details?

Mr. STEWART (Argenteuil): The Triangulation division will spend $72,000 during the fiscal year on the selection and preparation of stations, tower building, angular measurements and precise traverse. The operations are located as follows:

(a) British Columbia $12,500

The parties which have been working for several years along the British Columbia coast net have completed this net and in 1925 will continue eastward from Prince Rupert along the Canadian National. Triangulation will alternate with precise traverse in this area.

The Surveyor General of British Columbia urgently requires triangulation in a number of areas. He has indicated the above area as one of the most urgently required, and, as his needs fit in with the programme of the development of the Canadian triangulation, it has been selected for this year's operations.

(b) Prairie provinces $15,100

During the present season it is expected that most of the triangulation along the 49th parallel being prosecuted in conjunction with the United States Coast and Geodetic survey will be completed. This work will be the base of all future triangulation operations which may be required in the prairie provinces.

(c) Upper Ottawa river $12,500

Operations in this area will be a continuation of those of 1924 and will begin above Pembroke. It is anticipated that operations will reach lake Timiskaming by the fall of 1925.

Both the Ontario and Quebec governments are particularly interested in this net, and the former is spending quite a sum of money to connect the land surveys to all of the stations of the geodetic triangulation.

(d) Northern Quebec.. .. .. $10,100
These parties are working south along the Quebec and Lake St. John railway and will complete their work to the St. Lawrence river in 1925, thus completing a loop to and up the Saguenay river to lake St. John and south to Three Rivers, which is of great importance in the geographical work of northern Quebec. A start will also be made on a triangulation net westward along the Transcontinental railway.

(e) Gulf of St. Lawrence.. .. .. $3,800
Only reconnaissance for the laying out of future work will be carried on in this area, and by the fall of 1925 it is anticipated that the selection of stations will be completed as far east as the straits of Belle Isle. This net is of great importance both to the province of Quebec and as a base for hydrographic surveys.

(f) Maritime provinces.. .. .. $18,700
Triangulation of the bay of Chaleur will be completed this year, as well as most of the triangulation along the east coast of New Brunswick. These nets will serve as a base for hydrographic surveys, and also have been in great demand by the province of New Brunswick as a base for geographic work in that province.

2. Mount Logan climb.. .. .. $2,300
The department is paying the expenses of one of its own officers on the attempt to climb mount Logan, which is being sponsored by the Alpine Club of Canada. This officer is one of the most experienced mountain climbers in the government service.

3. Base lines.. .. .. $4,500
Three base lines are being measured to check the distances calculated from the triangulation at three points in eastern Canada. One will be measured near Three Rivers, Quebec, a second near Pembroke and a third near lake Timiskaming in Quebec.

4. Geodetic astronomy.. .. .. $3,500
Eight triangulation stations will be occupied as laplace stations during the coming season. Five of these will be along the 49th parallel triangulation and three in eastern Ontario and Quebec. These stations are inserted at intervals along the triangulation nets to add to their accuracy.

5. Precise levelling.. .. .. $27,800
Five main parties are being placed in the field in 1925, two in Alberta, one in southern British Columbia, one in southern Ontario and a fifth in the province of Quebec. One part of the work in the latter area is to check a line of levels already run along the south shore of the St. Lawrence river to aid in determining the extent of the earthquake movements in the lower St. Lawrence of last spring.

6. City surveying.. .. .. $9,000
This is simply carrying out the programme followed in the last three years in making an experimental area of the city of London to determine the best methods of city survey work for the benefit of other Canadian cities.

7. Instruments, Books, etc.. .. .. $4,000
This sum is provided for the purchase of new equipment which, owing to many improvements in instruments for geodetic work, will enable our Canadian Geodetic survey to carry on more efficiently.

8. General Expenses.. .. .. $18,190
This sum is provided to take care of all such items of general expense as expenses at head office, freight, telephone, charwomen, and all such expenses as are not chargeable to principal divisions of the work.

9. Salaries.. .. .. $128,510

Total.. .. .. $270,500

Mr. McQUARRIE: What is this geodetic astronomy?

Mr. STEWART (Argenteuil): The purpose of the astronomical observations is to fix definite points of longitude and for straightening out the triangulation.

Mr. GARLAND (Bow River): I see that item No. 234 covers topographical and general surveys for forestry, settlement and so on. I turn over to page 54, and under item No. 279, under Dominion lands and parks, there is the enormous sum of $1,185,000 for the protection of timber, also for the surveys of forest resources, and research in forestry. There is an increase in that item of $35,000. Can the minister, although we are not on that item, but in order to help us with the one we are discussing, tell us how much of that $1,185,000 is devoted to forest surveys?

Mr. STEWART (Argenteuil): None of it. It is all for protective purposes. That is in the Forestry department itself. The surveys are done by the Topographical Surveys branch, but the preservation of the forests is in the hands of the forestry officials.

Mr. GARLAND (Bow River): The increase in vote No. 279 would have no bearing on the decrease in the other vote?

Mr. STEWART (Argenteuil): No.

Item agreed to.

To compensate the Timiskaming and Northern Ontario Railway Commission in connection with their claim for injury to John Hedin, $240.

Mr. McQUARRIE: How does this come under item No. 235?

Mr. STEWART (Argenteuil): John Hedin was a section man in the employ of the Timiskaming and Northern Ontario Railway and was injured on October 17, 1921, in a collision between our precise levelling party's motor car and a section motor car on which Hedin was riding. It has not been brought out that the accident was either party's fault; it was apparently an unavoidable occurrence.

The railway referred the case to the Workmen's Compensation Board of Ontario in the regular manner and they awarded Hedin the sum of $994.40 for medical and hospital services and loss of time, together with a pension of $20 per month for life for permanent partial disability.

The Department of Justice ruled on July 6, 1923, that our department was not liable under the terms of the agreement with the Timiskaming and Northern Ontario Railway covering the operation of motor cars for precise levelling purposes.

Mr. Lee, the chairman of the Timiskaming and Northern Ontario Railway Commission, urged, however, that this department should reimburse the commission for the full amount of the award on the grounds of moral responsibility, since the accident would not have happened but for the presence of our party on the line. He also intimated that no further geodetic operations along the railway would be permitted until an adjustment of the matter, satisfactory to them, had been made. In view of the moral responsibility which undoubtedly exists and of the hindrance which would be caused to geodetic operations by the railway's refusal to allow same on their property, it has been considered proper that payment of the claim be arranged on other than legal grounds.

Legally, of course, we could refuse the claim, but the motor cars of our survey party were using these tracks on sufferance, and the committee will readily understand that means saving us a very considerable amount of expense. Under the circumstances, therefore, although we were not legally responsible, we thought it better to pay this claim.

Item agreed to.

Expenses connected with the survey and demarcation of international boundaries, $20,000.

Mr. STEWART (Argenteuil): This is in accordance with our agreement with the United States for the care of the international boundary. We have just succeeded in having a treaty signed with the American government covering this whole boundary matter, and it is estimated that it will cost each government $20,000 a year to maintain the monuments and keep the line cleared out. I might add that the position of Mr. McArthur, who has had charge of this work and who recently died, will not be maintained as a separate position. His duties will be performed by Mr. J. D. Craig, Director General of Surveys, who has been appointed International Boundary Commissioner also.

[Mr. C. A. Stewart.]

Mr. McQUARRIE: Will he get an extra allowance?

Mr. STEWART (Argenteuil): No.

Mr. McQUARRIE: This is a permanent charge, I understand.

Mr. STEWART (Argenteuil): Yes. It may develop that we shall not require this much, but I have very grave doubt whether we shall not require it. I was asked for more money by the officers in charge, but we want to see what the actual cost will be. We have estimated that $40,000 altogether would take care of this work.

Mr. McQUARRIE: How is that estimate made up?

Mr. STEWART (Argenteuil): From the experience of previous years. It is a little difficult to estimate the exact amount required. The monuments are constantly getting out of order.

Mr. McQUARRIE: Was $26,000 spent last year?

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: Has the minister any details of this item?

Mr. STEWART (Argenteuil): We have the details, but it would be rather difficult to estimate on details from past experience because they were finishing up the work and preparing maps, all of which work I understand is pretty well completed. I think they can get along with this amount this year.

Item agreed to.

Government of the Northwest Territories:	
Salaries and expenses in connection with the administration of the territories, including the erection of buildings and investigation work, etc.	$114,000
Administration, Northwest Game Act, etc.	36,000
Exploration, salaries and contingencies, alterations and repairs to ships	73,000
Total	$223,000

Mr. GARLAND (Bow River): How many employees are there under this grant?

Mr. STEWART (Argenteuil): I am informed there are about thirty. There are six petroleum and mining engineers, located at Calgary, who are also in the service. They go into the Northwest to conduct explorations and make reports the same as the engineers do in Alberta, but they are attached to the service. Then there are three officials at Fort Smith, and we have eight men who are on the buffalo reserve looking after the protection of the buffalo.

Mr. GARLAND (Bow River): That makes a total of 47 employees under this vote.

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow River): Could the minister give the committee at this moment any idea of the total number of employees in his department as a whole, and state whether any increases or reductions were made last year?

Mr. STEWART (Argenteuil): There is a reduction over last year. My hon. friend is speaking of the total service?

Mr. GARLAND (Bow River): Yes, the approximate number will do.

Mr. STEWART: (Argenteuil): There were 2,104, last year, and we have 2,059 this year, a decrease of forty-five. The saving amounts to $74,661.

Mr. GARLAND (Bow River): Surely that is not the total number of employees in the Department of the Interior.

Mr. STEWART (Argenteuil): I am told that is the total number in the Department of the Interior.

Mr. GARLAND (Bow River): That is in the inside branch?

Mr. STEWART (Argenteuil): And the outside as well, the whole service.

Mr. GARLAND (Bow River): The reduction in numbers is only about forty-five?

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow River): There is no department, I think, in the service of which I have heard more criticism as to overmanning than the Department of the Interior. What justification there is for that criticism I, personally, do not know, nor do I imagine the minister would have had time to find out. It would require almost a special investigation to determine. I have in my hand at this moment the evidence that was collected by Dr. Roche, chairman of the Civil Service Commission, and presented to the Spinney parliamentary committee. It may not be inopportune to recall that evidence to the attention of the minister. My desire is to give him all the assistance I can in doing what I feel sure he wants to do, that is, cut down the staff and bring economies into effect; I think the minister is just as much in favour of that as I am. Dr. Roche stated that the result of the reorganization of the Printing Bureau by the Civil Service Commission, as set out in the report for 1921, at pages 6, 7 and 8, was to reduce the staff from 1,159 in 1919 to 732, a reduction of 428 or thirty-seven per cent, the saving in the annual pay-roll being $746,000. He pointed out further that by these eliminations, and the introduction of modern machinery, the production of work in some branches of the bureau was actually increased, in spite of the reduction in the salary list by as high as 110 per cent. I have here the answers given to questions put to Dr. Roche by Mr. Euler, the member for North Waterloo. At the same investigation Dr. Roche stated that a like reorganization in the Interior department would produce a similar saving. That is the point I wish to call to the attention of the minister—a similar saving can be effected in the Interior department. And by the way, Dr. Roche was himself at the head of that department for some time so that he would be in a position to know the facts. I should like also to call the minister's attention to sessional papers 112 and 112 (a) for the year 1923. These were returns brought down in reply to questions asked by Senator Bradbury, of the upper house. They give the total salaries, wages, and bonuses of permanent and temporary employees of the Interior department under the Civil Service Act as $3,706,-009.68. Now, to take Dr. Roche's statements at their face value we would have this situation arise as a result of reorganization: thirty-seven per cent of that amount would represent a saving of $1,371,223.33, so that if Dr. Roche's estimate is correct that is the sum that would be saved to the public treasury. Moreover the above-mentioned return does not include the number of positions which were exempted from the Civil Service Act. If they were included in the reorganization there would be a further increase in the total saving. The Department of the Interior has some seven branches.

Mr. STEWART (Argenteuil): Seven?

Mr. GARLAND (Bow River): Some seven distinct and large branches, which deal with Dominion lands—

Mr. STEWART (Argenteuil): Oh yes, all right.

Mr. GARLAND (Bow River): These branches are declared to have overflowed the capacity of the public buildings that contain them, and I want to ask the minister in closing, just how many buildings are now housing the Lands branch of the Department of the Interior, that is taking into account the classification work and so on?

Mr. STEWART (Argenteuil): We have succeeded in getting the Lands branch all housed in the Norlite building which is just across the street from the West block. When I came to Ottawa they were scattered in four or five buildings.

Mr. GARLAND (Bow River): Sixteen.

Mr. STEWART (Argenteuil): My hon. friend mentions the classification. The classification is done by the Topographical surveys, but the Lands branch is now all housed in the Norlite building. That explains how we are able by the amalgamation of the work to reduce staff. I do not know anything about the Spinney report, but since coming to Ottawa I think I am safe in making the assertion that the Interior department has been reduced by twenty-five per cent. That has not been done in one or two years; it is a gradual decrease spread over several years. My hon. friend has spoken about the scattering of the staff around in offices in this city. This makes the work of the department very difficult and expensive, as anyone who has to do with the staff will understand. Files have to be carried from one building to another and, of course, delays occur. I would be delighted if Dr. Roche and the Civil Service Commission would finish their survey of the Interior department. They have a free hand to make any recommendations as regards reductions and savings, and I will guarantee that I will carry them out. That has been a standing offer ever since I came to Ottawa. I do not think any minister in a short period of three or four years, with all the ramifications of a department and with all the other duties to which a minister is called upon to devote his attention, can become sufficiently acquainted with a large staff, to form an estimate whether his department is overmanned or undermanned. I shall be glad to see the minister who is able to do that. A minister is asked to carry out innumerable duties. He has the duties of his office to perform. It seems to me the ideal position is that he should be relieved altogether of staff affairs, and that they should be looked after from another source. I would like the Board of Audit or the Civil Service Commission to look after these matters. As a matter of fact, the Civil Service Commission have a representative in the Interior department continually. It is his business to look after staffs, to examine into recommendations that are made for promotions, requests for help on account of increased service and so on, so that while the minister cannot escape the responsibility of signing recommendations and requests of one sort or another, perhaps for an increase of pay, nevertheless, a very close scrutiny is kept upon the department by the Civil Service Commission and I will welcome any suggestion on their part that will tend to reduce the expenditure or the personnel.

Mr. GARLAND (Bow River): The minister is to be congratulated on his frank statement. At the outset, I intended to make it quite clear that I placed no blame upon himself personally. I agree with him that the difficulties he has to face are too numerous for him to spend time running around the department in order to find where he can dispose of a man here and another one there so as to cut down expenditure. I notice the total salaries and bonus for the staff are given as $3,706,009. Could the minister give the total salaries and bonus for the current year?

Mr. STEWART (Argenteuil): Our estimate for this year is $3,548,241.25.

Mr. GARLAND (Bow River): Although the minister may have effected a reduction of 25 per cent in the number of employees—and possibly he is correct in his estimate, although I have not had time to check it up—there has not been the same ratio of reduction in the cost. There has been a reduction of about $160,000, or not quite that.

Mr. McTAGGART. On that point: I do not know whether the civil service in the Interior department is overmanned or undermanned, but I want to put in a word for the officials in that department at this time. I do not think anyone in this House or out of it has a right to criticize the staff of the Department of the Interior until he is familiar with the enormous quantity of work it has to do. There is the other side of this story. The Department of the Interior are acting as administrators for thousands and thousands of acres of land in western Canada, and a tremendous quantity of correspondence is coming to the department in relation to those lands. In my experience, in the main, there has been a slowness in answering the correspondence. That may be because of the fact that the department is undermanned. I believe that the department is doing everything possible to facilitate the work of administering Dominion lands, and I should be very loath to see the staff of that department undermanned because I feel it might reflect in this way, that the administration and correspondence in connection with Dominion lands in western Canada might be further hindered.

Mr. BLACK (Yukon): Is something new contemplated this year in the way of arctic exploration and the establishment of government up there?

Mr. STEWART (Argenteuil): There is no notion of establishing government. The government is carried on here. I rather appreciate what the hon. member (Mr. McTaggart) has said with respect to the work of the Interior department, because perhaps no members realize the quantity of work that is being carried on in the department better than those from the prairie provinces.

Mr. STEVENS: Except those from the Arctic circle.

Mr. STEWART (Argenteuil): I will come to that later. The work of the department is also appreciated by a large proportion of the province from which my hon. friend comes. The ramifications of the department are almost empire-wide, and a great deal of trouble is caused if we make a mistake in a lease or if we trip up in the slightest with respect to a payment. At the present time I am endeavouring to straighten out difficulties that occurred in connection with the distribution of seed grain in 1876. I want the committee to have an appreciation of the responsibilities of the officials of this department. We perform every function of a government, and I think hon. gentlemen who come from Alberta will agree with me that the Department of the Interior is performing almost as much service in the leasing of coal mines, grazing leases, timber leases and their operation in Alberta as is the provincial government in their work, and to a very fair degree we have almost comparable responsibility.

Mr. GARLAND (Bow River): The minister, as no doubt he remembers very clearly, was at one time premier of that province. If all he says is true as to the tremendous scope of the work of the department, would he think the restoration of the natural resources of Alberta would be of great value to that province?

Mr. STEWART (Argenteuil): I should not like to express any opinion about it. I do not believe that the province would either lose or gain very much by the acquisition of its resources but I do think that Alberta and other western provinces have a right to be put on an equality with the rest of the Dominion. That is my contention; but from the monetary point of view I do not think they stand to gain very much. It is doubtful. While the department is being criticized on the score of its size we must remember that when we get beyond the belt in British Columbia and enter the Yukon territory, which my hon. friend (Mr. Black) has the honour to represent, we have a tremendous area inhabited by very few people; and the hon. member himself will agree with me that our administration costs when we get up there are pretty high. We hope that we shall be able to reduce them. And in the northwest we have a whole empire about which most of us know very little. There are great possibilities of mineral wealth there, and it seems to me that we must take no chances on anybody else going into that territory and laying claim to any land that belongs to us. I am taking every precaution possible to prevent anything of that kind occurring. I am criticized in some quarters for the precision of statements I have made in the House, but these statements have been made after due consideration. If expeditions from foreign countries desire to go into that north country I think the least they can do is to obtain a permit from the government of the Northwest Territories to enter what is clearly our land.

An hon. member has said that we are extending the service somewhat in the Northwest Territories, and into the Arctic particularly. We have had disquieting rumours with reference to the Eskimo situation. But Dr. Rasmussen was here a short time ago and I must say he brought us rather reassuring news. The territory is so remote that we know very little about it; we know only the fringe of it and very little about that, and when you get into the confines of Coronation gulf and to the immediate north you are in almost unknown quarters. I propose to send one of our officials across that territory this year, and it is our intention to have Mr. Mackenzie make a rather close study of the situation. The Eskimos have not received very much attention at the hands of this government, but we are becoming more alive to our responsibilities in that regard. One of the first things to be done is to get more men with at least some medical training who will act as missionaries among the Eskimos in the north country with a view to preventing some of the disasters which occasionally are reported to us from these remote districts. The country is valuable for its fur and we have no idea as to its possibilities in the way of mineral development. And even in the far north we have valuable animals such as the musk ox. I have here a map which gives a comprehensive idea of the territory to which we lay claim in the north country, showing the land that has already been explored. It

would be worth hon. members' while at six o'clock to examine this map to learn something of the immensity of that territory and the heritage which this country has up there. I intend to ask parliament to give us a little more money to get further information about the territory and to protect ourselves with respect to future explorations.

Mr. ROSS (Kingston): What missionaries have been at work up there?

Mr. STEWART (Argenteuil): The Church of England has established a mission at Herschel island, and the Rev. Mr. Walton is also located on the Hudson bay. That however is rather south of the territory I have in mind.

Mr. ROSS (Kingston): Herschel island was the place to which you sent a judge with the gallows in readiness to hang the accused?

Mr. STEWART (Argenteuil): My hon. friend will understand that it is difficult to obtain timber in the north country. While it may seem somewhat cruel to anticipate the outcome of a trial the hon. member will nevertheless appreciate the necessity for preparation when going into a country of that nature. The place is devoid of fuel.

Mr. McQUARRIE: How far north does the jurisdiction of Canada extend? Do we take in the North Pole?

Mr. STEWART (Argenteuil): We claim that we go to it.

Mr. McQUARRIE: The minister has heard that the United States has laid claim to the North Pole.

Mr. STEWART (Argenteuil): Canada claims the territory outlined between the degrees of longitude 60 and 141 but I have nothing to say regarding any claim the United States may make. They have Alaska and naturally they will lay claim to land north of their territory there, which would be adjacent to ours.

Mr. McQUARRIE: Will they have the North Pole?

Mr. STEWART (Argenteuil): I do not suppose any nation can lay claim to the North Pole.

Mr. McQUARRIE: I am serious in the question.

Mr. STEWART (Argenteuil): In order to protect Canada's interests we have made our position clear. According to international law we can claim any territory lying one hundred miles off our explored coasts. But no one knows definitely what land there is in the unexplored region; to reach it the explorer must go either from the coast of Alaska or through Canadian territory.

Mr. ROSS (Kingston): The last North Pole expedition did not go through Canada.

Mr. STEWART (Argenteuil): As I have said before we do not claim the North Pole.

Mr. GARLAND (Bow River): The minister said he would be glad if the Civil Service Commission would undertake an independent investigation of his department to find out what over-manning if any there is there. Has the commission that power?

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow River): When did it get that power?

Mr. STEWART (Argenteuil): This is not the time to raise objections to what is going on, but frankly I think a great deal of time would be saved if we reverted to the old system of annual salary increases and promotions. As it is now, there is a continual agitation going on for promotion or increase of salary, and at least a couple of times a week I find half a dozen aplications on my desk. I think I could indicate a thousand places where money could be saved, and surely we will get to that stage sometime. It does seem to me that we have a terribly cumbrous system.

Mr. GARLAND (Bow River): I feel very much like my hon. friend from Maple Creek (Mr. McTaggart). I think a great deal is to be said for the outside services; they are doing splendid work. But the whole of my remarks were based on the Spinney report and Dr. Roche's evidence. It seams to me amazing that the Civil Service Commission should not already have made an investigation, because I notice that in answer to a question by Mr. Euler:

> If you had any suspicion that any of the departments were being overmanned, would you have any control over that at all?

Dr. Roche said:

> You are not now referring to labourers?
> Mr. Euler: No, to the inside service in Ottawa.
> Dr. Roche: No, we have not any control, unless we are given the control we had in the bureau. We were turned loose with our organizers.

And then he discussed the Printing Bureau and all the savings that had been effected

as a result of the reorganization. Further on, in answer to another question by Mr. Euler, Dr. Roche said:

> I say if our competent organizers were put into the Interior department to-morrow and given a free hand, such as we had in the bureau, that similar results would be brought about as were brought about in the bureau and lesser expense, because the bureau is the repository for everybody out of a job.

The savings in the case of the bureau were enormous. They released 420 employees, and the Bureau was doing better work and more work after they had dismissed those people than ever before.

Mr STEWART (Argenteuil): I can scarcely believe that there were 400 superfluous employees in that institution. Amalgamations may have taken place, but I think my hon. friend will agree with me that, taking the bald facts as stated by him, there must be something omitted.

Mr. GARLAND (Bow River): That may be, but this is the sworn evidence given by Dr. Roche.

Mr. STEWART (Argenteuil): I will be very glad to have Dr. Roche, the Board of Audit or any other organization come into my department and examine minutely every sub department in it. If they can show any savings, I shall be perfectly willing to put them into effect.

Mr. GARLAND (Bow River): I am delighted to get that statement from the minister, and I hope the Civil Service Commission will take the fullest advantage of it. In making these remarks I wish it to be clearly understood that I am not criticizing the minister. I realize the difficulties he has to contend with, and that he has plenty of work to attend to without looking into these details; nor do I think his deputy is to be entirely blamed, because he must have many and onerous duties to discharge; but somebody must be responsible. In the absence of definite responsibility being brought home to any official, I do believe the minister will recognize that some sort of invitation might be extended to the Civil Service Commission to make an investigation; indeed, I hope his statement will be so regarded by the commission.

Mr. BLACK (Yukon): Who is the Mr. Mackenzie who has been engaged to make a special study of Arctic conditions?

Mr. STEWART (Argenteuil): He was your gold commissioner in the Yukon.

Mr. BLACK (Yukon): Who is now the gold commissioner there?

Mr. STEWART (Argenteuil): Mr. Percy Reid is acting; no permanent appointment has been made.

Mr. BLACK (Yukon): What is Mr. Mackenzie's official position?

Mr. STEWART (Argenteuil): Chief of the Arctic expedition into northern waters.

Mr. BLACK (Yukon): What annual salary is he being paid?

Mr. STEWART (Argenteuil): A salary of $5,000.

Mr. BLACK (Yukon): Is he getting any perquisites?

Mr. STEWART (Argenteuil): He gets the salary he draws in the Yukon, and the same living allowance—$3,000—inasmuch as he is away from headquarters, just as he was while in the Yukon.

Mr. BLACK (Yukon): That is, he is being paid annually $8,000?

Mr. STEWART (Argenteuil): Yes.

Mr. BLACK (Yukon): What salary is the acting gold commissioner of Yukon being paid?

Mr. STEWART (Argenteuil): He is drawing the same salary that he had as commissioner of immigration, $4,500.

Mr. BLACK (Yukon): There is a saving then in the salary of the gold commissioner in the difference between $8,000 and $4,500?

Mr. STEWART (Argenteuil): I should not like to say that. Should Mr. Reid be successful in being appointed—we have asked for his permanent appointment—I imagine he would get the salary fixed for that position.

Mr. BLACK (Yukon): Do I understand the minister to say that Mr. Reid is there now at $4,500?

Mr. STEWART (Argenteuil): Yes, his salary has not changed because he has not received his appointment permanently.

Mr. BLACK (Yukon): Is he being paid a living allowance?

Mr. STEWART (Argenteuil): Yes.

Mr. BLACK (Yukon): Amounting to how much?

Mr. STEWART (Argenteuil): He gets the living allowance attached to that position while he is there, $3.000.

Mr. BLACK (Yukon): What qualifications has Mr. Mackenzie, formerly gold commissioner of Yukon, for the position of chief of the Arctic expedition? Is he an explorer, a naturalist, a geologist, a surveyor or a navigator? Has he had any experience in Arctic work?

Mr. STEWART (Argenteuil): Of course, we have no men who are thoroughly experienced in Arctic work, but Mr. Mackenzie has had very large experience of northern conditions, and no one knows that better, perhaps, than my hon. friend. Of course, it was administrative work as gold commissioner in the Yukon. We look upon him as a man of pretty sound judgment. What we need is an authentic report of the conditions under which the Eskimos are living in order that we may apply the best remedy to the startling troubles that we hear about now and then as happening among the Eskimos. I concluded that Mr. Mackenzie was probably one of our best equipped officials to bring back a report that would be of value for this purpose.

Mr. BLACK (Yukon): Have the Arctic expeditions in the past brought back any information?

Mr. STEWART (Argenteuil): The Arctic expedition goes up the east coast as far as Ellesmere island. Last year they left Mr. Soper, a young man who was temporarily in the employ of the department to winter at Baffin's. Mr. Burwash has been up in that territory. We are trying to get an intimate knowledge of the situation in the north, particularly where the whalers winter. Captain Bernier is an experienced northern navigator, but he is a sailor. Mr. Craig, who went up for two years, is one of the officials of the department with no northern experience at all. Mr. Henderson went up there last year. But we think it important to put a man in charge in order that we may not hear of whole tribes being wiped out by epidemics. It seems that we should exercise the same humane supervision over the Eskimo that we have been exercising over the Indian.

Mr. CAMPBELL: Will any medical men accompany this expedition?

Mr. STEWART (Argenteuil): Yes, Dr. Livingston will go with the ship, but we will have a resident medical man at Cumberland gulf.

Mr. WARD: Is it the policy of the government to continue the legal, social and moral supervision over the Eskimos that has been carried on in the past? Is it considered wise to interfere with their traditional customs and habits, or is this not a lot of money spent to very little advantage?

Mr. STEWART (Argenteuil): It is quite likely that if it were possible to allow the natives to live in their own traditional way they would be just about as well off, although possibly the missionaries would not agree with that view; they would hold that the Eskimos ought to be given religious teaching. But you cannot keep out the white man; he will come in contact with these people, and we must take precautions to avoid such harrowing occurrences as have taken place among them from time to time in the past.

Mr. WARD: Is it the experience of the government that it is of any particular avail to attempt to exercise legal jurisdiction over these people?

Mr. STEWART (Argenteuil): It is a little difficult to answer that. The reports of the missionaries are that it is, and that is the report also of the mounted police—that the natives do realize that they must no longer kill when they take a notion to do so, and that there is a chance of punishment following if they do. Of course that is not generally known among them. My hon. friend might be surprised to know that traders going into the Aklavik region find the Eskimo with high powered motors, the girls able to dance the modern dances, gramophones being used by the people, and so on. Perhaps they are too highly civilized. A missionary was telling me that he had thrown away an ordinary alarm clock because he could not make it go, and upon returning to his camp after an absence of three or four weeks he was surprised to find it hanging in an Eskimo's camp, running and keeping good time. Moreover, he says that he prefers to get an Eskimo when it comes to employing a man to take charge of a motor boat.

Mr. WARD: What is the cost of carrying on this work among the Eskimos?

Mr. STEWART (Argenteuil): It would be difficult to say exactly, but it would not be very much. It will cost us more in the future. While the officials can only go in there during the daylight season, they do other work as well while they are there.

Mr. WARD: I have heard severe criticism with regard to the execution of a couple of Eskimos about a year ago, on the ground that it was questionable, whether the results were such as to justify the large cost.

Mr. STEWART (Argenteuil): The cost would be met by the Justice department.

Mr. BLACK (Yukon): Am I correct in drawing the inference from what the minister has said that the creation of this office of chief of Arctic expeditions involves an additional annual expenditure of $8,000 for the chief's salary?

Mr. STEWART (Argenteuil): Yes, it will if we continue it.

Mr. BLACK (Yukon): I understood the minister to say that he has no one in the service but Mr. Mackenzie who is qualified for this work.

Mr. STEWART (Argenteuil): I would not like that to be said. It is quite possible that we have others who could do this work, but I think Mr. Mackenzie can do it very well.

Mr. BLACK (Yukon): Does the minister say that Mr. Craig has had no northern experience? Was he not engaged on the boundary survey work and did he not visit these northern regions very frequently, spending summer after summer there?

Mr. STEWART (Argenteuil): Yes, but he is now Director General of Surveys, having succeeded Dr. Deville.

Mr. McTAGGART: Are the departmental officials in the north country taking steps to assist in the securing of information with regard to the Amunsden polar fliers?

Mr. STEWART (Argenteuil): The farthest north post we have is on the southern end of Ellesmere island, which is a very considerable distance from the scene of Amunsden's operations. If relief is sent to Amunsden by Canada it would have to go from here.

Mr. BLACK (Yukon): Is it a fact, then, that the chief of this expediton goes north as a novice in this sort of work?

Mr. STEWART (Argenteuil): My hon. friend knows Mr. Mackenzie's northern experience probably better than I do. I have looked upon him as a valuable officer and a good adminstrator. I do not want to enter in the distressing details of the reports we have heard with regard to the conditions up there. The stories may not be true, but if they are not it is just as well that we should know it. We should be recreant in our duty if we did not get definite information as to what is happening among these people. It is our territory; it is our country, and we have not been paying very much attention to the Eskimo. With reference to Mr. Mackenzie, I can only say that I think he is admirably fitted for this work. My hon. friend may think I have erred in judgment, because I know he knows him much better than I do.

Mr. BLACK (Yukon): I want the minister to understand that I do not wish to be personal in the matter at all. It may be because I do know something about it that the present course of the government causes some surprise on my part. I am sure the minister could go to his department and find dozens of men with the experience and training and qualifications necessary for this northern work. Take, for instance, Mr. J. D. Craig, whom the minister referred to, to begin with; Doctor R. M. Anderson, chief of the biological division; Mr. D. Jenness, a man who has made practically a life study of the Eskimo, and who has written a book in the Eskimo language; Frank D. Henderson, who was in charge of the expedition last year; take the director, Mr. Finnie himself, a man with northern experience, and a great deal of experience as an administrator; take the Deputy Minister of the Interior, who has also had northern experience; take the chief of the Indian department; Mr. Maxwell Graham, chief of the wild life division, or Mr. H. Lloyd of the same division. I am sure the minister could get a committee composed of such men as those that would give him expert advice on what conditions are in that Arctic country, and what should be done. He is going to an expense that is unnecessary in connection with this expedition.

Mr. McQUARRIE: Following up the questions asked by the hon. member for Bow River, I would ask the minister if he has invited the Auditor General and the Audit Board to reorganize his department.

Mr. STEWART (Argenteuil): Yes.

Mr. McQUARRIE: Has that invitation been accepted?

Mr. STEWART (Argenteuil): It has not been acted upon.

Mr. McQUARRIE: They have not started the work yet?

Mr. STEWART (Argenteuil): No.

Mr. McQUARRIE: Is it contemplated that they will shortly do that work?

Mr. STEWART (Argenteuil): So I am informed, but all I can say is that they have not yet started. I think I made the first application.

Mr. BLACK (Yukon): Would the minister give us the real reason why this shuffle of offices was made, why Mr. Mackenzie was brought out of the Yukon and why Mr. Reid was taken out of the Immigration department and put into the Yukon?

Mr. STEWART (Argenteuil): I have been trying for the last hour to give my hon. friend a reason. I have given him all the reasons I have.

Mr. BLACK (Yukon): Was there any complaint against Mr. Mackenzie's administration as gold commissioner or any complaint against Mr. Reid's administration of his office in the Immigration department?

Mr. STEWART (Argenteuil): I get complaints of nearly every officer, but I would not say they were of a serious character. I could not say I did not receive some complaints, but I did not receive any of a character that I considered serious.

Mr. BLACK (Yukon): Was Mr. Reid not a useful officer in the Immigration department? Was he not needed where he was being employed? Was he a spare man?

Mr. STEWART (Argenteuil): No. Mr. Reid was recently moved to the British Columbia coast as an officer in the Immigration department there. He has had a long Yukon experience, and I asked the Immigration department for the transfer of Mr. Reid temporarily for this purpose, believing that he knew the territory. I may also say that I had discussions privately with my hon. friend. I have asked Mr. Reid to prepare a report on the Yukon, and some means of cutting down the expenses that are involved in its administration. I have been cutting down that expenditure to some extent, as my hon. friend knows, but I think it could stand a much further cut. I chose Mr. Reid, and he has been loaned to us for that purpose. As I said before, he is not permanently transferred, but he has had a very long experience, as my hon. friend knows, in the Yukon country.

Mr. BLACK (Yukon): Not a particularly long experience, and his experience was in the very early days when conditions were very much different from what they are now. He has not had the experience of modern conditions at any rate that Mr. Mackenzie has had. I would say that Mr. Mackenzie was quite well qualified to make such a report, and if he is not qualified for that, he certainly would not be qualified to report on Arctic conditions.

I quite agree with what the minister has said, that great economy has been brought about in the cost of administration of the Yukon, in all departments of that territory, particularly in the Department of Justice. I think the Department of the Interior is down as fine as it can be under present conditions. But in connection with the position of gold commissioner, the action of the government has been anything but economical, and as the offices we are discussing now are apparently interchangeable I might be allowed to refer to them both together.

I asked some questions earlier in the session as to the present salary of the gold commissioner, and how many people were being paid and acting as gold commissioner. The minister replied:

> The duties of commissioner of the Yukon have been added to the gold commissioner, who is paid an annual salary of $5,000, with annual living allowance of $3,000. Before consolidation former commissioner had salary of $6,000, living allowance $6,000, and free house. Gold commissioner had salary of $5,000, living allowance $1,500.

A person reading that question and answer would infer that some saving had been made in the present rearrangement of offices, when quite the contrary is the fact. The combining of the duties of the commissioner with those of the gold commissioner was done years ago, away back in 1916, before this government came into office, and by that action of the government of that day a large amount of money was saved. But for some unaccountable reason this government, as late as 1923, notwithstanding that they had declared in favour of a policy of reduction and were apparently attempting to save money in the Yukon, without any reason at all increased the gold commissioner's pay by $1,500 a year. He was then being paid $6,500 a year, and for some unaccountable reason this government increased that to $8,000. What was even much more astonishing, they dated that increase back to April, 1919, and paid him the lump sum of $5,750, without any cause whatever, at a time when they were supposed to be carrying on a programme of economy. So that, far from there being anything economical in this rearrangement, as the minister would have it appear from his answer to my question, it was a gross extravagance, and the government cannot say that this was done without warning, because I happened to be in the Yukon last fall when the information came in that the gold commissioner was to be removed and another sent in his place. I took the precaution on the 4th of October last of sending this telegram:

> Dawson, Y.T., 4th October, 1924.
>
> Premier W. L. Mackenzie King,
> Ottawa, Ont.
>
> Referring to Gold Commissioner MacKenzie's order from Minister Interior to go Ottawa now, whether Mackenzie's absence from Yukon be temporary or

permanent, government has officials here competent and suitable to administer offices of Commissioner and gold commissioner as now combined together with their present duties. Unnecessary to add to Yukon staff. To do so under present conditions will be flagrant waste public money.

That, perhaps, was rather an extraordinary position for a member to take, as to patronage in his own constituency, but as the minister has observed already I have had a long experience in the territory and am willing at any time to co-operate with the government in the interests of good government and economy.

I received a reply to that telegram from the Prime Minister to the following terms:

Winnipeg, Man., Oct. 5, 1924.

Your telegram has been repeated to me from Ottawa. Hon. Charles Stewart who is with me in Winnipeg tells me that Gold Commissioner Mackenzie has been called to Ottawa to discuss Yukon affairs and in his absence competent official will be placed in charge in Yukon. Such reductions in staff as appear necessary will of course be carried out.

W. L. Mackenzie King.

I made it plain to the government that they had officials enough in Yukon and did not need to send anyone else. There was absolutely no necessity to send in Mr. Reid to take Mr. Mackenzie's place, nor do I think there was any necessity for bringing Mr. Mackenzie out. However, the government in its wisdom did that. Now, for some reason the government has been calling the gold commissioner from Yukon to Ottawa pretty frequently within recent years. As the premier's telegram to me of October 5 says "the gold commissioner has been called to Ottawa to discuss Yukon affairs." Well, you cannot go down from Yukon to Ottawa and back again for nothing; and for the life of me I cannot see that there was any necessity to bring the gold commissioner out at that time to discuss Yukon affairs. The government has in its employ a number of officials who have had Yukon experience, and quite a number who within very recent years have visited Yukon. I am sure if the minister wanted any expert and up-to-date advice on Yukon matters he could have got it from the Director of the Northwest Territories and Yukon who visited Yukon within the past few years. Moreover the government has had a special auditor up there within recent months. As I say, there are numbers of men here in the employ of the government who are competent to give advice on Yukon matters. In addition to that I venture to suggest that the minister might have got some advice from the member of parliament for that district, and I think he could have relied on it. I do not think the minister can recall any occasion on which I have given him advice that was not in the best interests of Yukon administration.

Now, I have made an examination of just what this method of bringing the gold commissioner from Yukon to Ottawa on several occasions in the past, and this shuffle in offices, has cost the government, and how much the government has unnecessarily paid out. I find that for the year 1923 the gold commissioner was paid a salary of $5,000; a living allowance in one item of $1,750; arrears of living allowances from April 1, 1919, of $5,750.

Mr. STEWART (Argenteuil): I should like to call my hon. friends' attention to the fact that those arrears were granted by the Civil Service Commission. I am not asking for immunity from responsibility because the account was supported by officials of the department, but it was scrutinized and recommended by the Civil Service Commission. I want to put my hon. friend right on that point.

Mr. BLACK (Yukon): I do not pretend to say that the amount was unauthorized, or that it was paid in any improper way.

Mr. STEWART (Argenteuil). The idea my hon. friend is desirous of conveying, however, is that the minister increased the living allowance of the gold commisioner for periods in which he had been drawing a smaller amount than was allowed him.

Mr. BLACK (Yukon): And had managed to live in the meantime. Does the minister suggest that he was not in favour of that increased living allowance?

Mr. STEWART (Argenteuil): My hon. friend is scarcely correct. These revisions are going on all the time, and while the requisitions are made by the department the granting or refusing of them is in the hands of the Civil Service Commission. The observation my hon. friend made was "that the gold commissioner had managed to live in the meantime". I suppose he had; I did not hear of him getting starved out, or anything of that sort. The point I want to make clear to my hon. friend is that the back pay in question was allowed him by the Civil Service Commission. At the same time I do not want to escape responsibility because the officials of the department could have refused the requisition. I simply called my hon. friend's attention to the actual facts.

Mr. BLACK (Yukon): I cannot quite see the force of my hon. friend's reference of

the Civil Service Commission. Surely I am not to understand the minister to mean that the Civil Service Commission forced the government to pay this.

Mr. STEWART (Argenteuil): Oh no, I do not want my hon. friend to infer anything of the kind.

Mr. BLACK (Yukon): After all it only means that the increase and the payment were made in the usual way.

Mr. STEWART (Argenteuil): Yes.

Mr. BLACK (Yukon): I was not attempting to criticize that for one moment; I merely say that it was unnecessary expenditure altogether and that no excuse could be conjured up for it. During the same year we find the gold commissioner making a trip to Dawson at an expense of $447, and a trip from Ottawa to Washington and return for $276, and at the same time there was an expenditure for board and room at Ottawa of $832. In all there was paid out in connection with the office of gold commissioner of Yukon in that year $14,047, less a refund of $600, leaving $13,447, as the amount paid, whereas, as a matter of fact the commissioner should only have been paid $6,500 in that year. This means that the government paid out unnecessarily in the year 1923 no less than $6,947. These figures are in the Auditor General's report; you cannot get away from them. What explanation can there be for bringing the gold commissioner to Ottawa? It was not necessary to have him here at all.

Mr. STEWART (Argenteuil): I must take issue with my hon. friend in respect to that. We had difficulty about the importation of liquor into the Yukon, and my hon. friend knows this source was fairly remunerative in the way of providing funds for the carrying on of the business of the country. Mr. Mackenzie was brought down here and sent to Washington to see whether an arrangement could not be made to get the liquor through United States territory into Yukon. My hon. friend takes upon himself a good deal of responsibility when he says there was no necessity for doing this or doing the other thing. That is a matter of opinion.

Mr. BLACK (Yukon): I am quite ready to take the responsibility for what I say.

Mr. STEWART (Argenteuil): I am quite prepared to take the responsibility for my statements now—

[Mr. George Black.]

Mr. BLACK (Yukon): Then we are agreed.

Mr. STEWART (Argenteuil): —or at any time.

Mr. BLACK (Yukon): I will give the minister ample reason for my statements before I get through.

Mr. STEWART (Argenteuil): And the minister will give my hon. friend good reasons for his action when the proper time comes. I have always tried to treat Yukon decently, but my hon. friend does not seem to appreciate that fact.

At six o'clock the committee took recess.

After Recess

The committee resumed at eight o'clock.

Mr. BLACK (Yukon): When the committee rose at six o'clock, I was endeavouring to show that in my opinion—of course, it is only my opinion and the minister is entitled to his—a considerable amount of money had been unnecessarily spent in connection with this interchange of officials between the Yukon and the Northwest Territories; that according to the Auditor General's report for the year ended 31st March, 1923, practically $7,000 had been so unnecessarily spent. On referring to the Auditor General's report for the year ended 31st March, 1924, we find the salary of this official for twelve months, $5,000, twelve months' living allowance, $3,000, and expenses of a trip from Ottawa to Dawson, $540, or a total on those three items of $8,540. For some reason, probably best known to the minister, this official was before very long again summoned to Ottawa. The minister stated that he was summoned to Ottawa to assist in framing a policy in relation to the Northwest Territories along lines of the conservation of wild life and of protecting the natives. Using the items showing the expenses of similar trips to and from Ottawa, I estimate that the expenses of that trip from Dawson to Ottawa will be approximately $450; that to keep this official at Ottawa for the period he was here will mean another expenditure of $800. Having had him here to advise on the conservation of wild life and the natives, for some reason or another it was necessary to send him back to Dawson. Estimating the expenses of the return trip to Dawson in the same way, I submit it would mean

another expense of $600, and now I understand that he is being brought back at once from Dawson to Ottawa at an approximate expense of $450. That means that a total will have been paid out of some $10,840, when, as a matter of fact, not a dollar more than $6,500 should have been paid. That means that there will have been unnecessarily spent prior to this date for that year some $4,340, or, over the two years, 1923 and 1924, no less a sum than $11,287. The minister may be able to get results that will justify that expenditure, but I doubt it. He has done me the honour of saying that I have had some experience in that northern country and know something of the capabilities of the various officials there. For some reason or another, this new office and this expedition of 1925 seem to be getting a good deal of newspaper publicity all the way from Dawson City to Montreal. I find it in the Dawson daily paper in these words:

Mr. Mackenzie is back in the Yukon to wind up certain government matters, as well as to settle private affairs, before he leaves to assume his new duties in the capital.....In speaking of his new office, Mr. Mackenzie said that he would be in charge of the organization and operation of expeditions by both land and sea in northern areas of Canada with headquarters in Ottawa. Canada has decided to establish jurisdiction over her remote northern islands in order to prevent possible misunderstandings with other countries in the future, and also to explore and develop those possessions.

The Montreal Gazette in a despatch from Vancouver states:

During this summer Canada will organize an administration body and police for all the islands that have been discovered in the Arctic region, and which the Dominion claims as part of this country.

That would be a pretty big organization.

For this purpose, George P. Mackenzie, former gold commissioner of the Yukon, who has arrived from the north, has been given an assignment that, in point of territory over which he becomes the chief executive, is the most expansive that has been placed under the jurisdiction of any person heretofore—

Evidently it is a very wide kingdom that is being established.

—for it embraces that part of the Arctic on the Atlantic ocean side as well as the Pacific. The first expedition to bring order into the Arctic outposts and to report on the natural resources of the far-off Canadian possessions, will leave on July 1 under the leadership of Mr Mackenzie, who will have a staff of geologists and other experts in this party.

En route to Ottawa to complete the preparations for the first expedition, which will be by vessel to the north Atlantic, Mr. Mackenzie has arrived here.

I do not know whether the government desires to create the impression that such an important and according to the newspaper, expensive undertaking is about to begin. In the early days Yukon was swamped with expensive officialdom inaugurated by the government of the party which is now in power in Canada; and on the face of it it would seem that they are now transferring their ingenuity in that direction into the Arctic and the Northwest Territories. Certainly I cannot conceive of any good reason why such preparations as these should be made. We had it from the minister to-day that nothing out of the ordinary was to be done by this Arctic expendition this year although apparently from other sources a good deal more is reported as about to be undertaken. The government is maintaining a complete and efficient staff of officials in connection with the Northwest Territories and Yukon and it is only comparatively recently that the office of Director of the Northwest Territories and Yukon branch was created. I do not say that it was unnecessary, but such an office was created; and in charge of the branch is a gentleman well versed in northern affairs and with a long official experience. Only a short time ago the duties of that office were all discharged by the Superintendent of Mining Lands and Yukon branch. I do not know whether the work in that branch has so expanded in recent years as to justify the creation of this new office, but the fact is that this has been done. I think the government would have been well advised to let things remain as they were and to take the advice of the Director of the Northwest Territories on such matters as will now come under the new office of chief of Arctic expeditions. The director is certainly capable of advising the government on these questions and he has at hand plenty of expert advisers now in the service. If the government had desired to go further they could have got advice also from probably the best qualified man in the Dominion to inform them upon all these matters; I refer to the Right Rev. Bishop Stringer, Bishop of Yukon, who has spent some thirty years of his life within the Arctic circle among the natives in the course of his labours. I can refer the government to another man, who is in the service of the country, Mr. John Hawksley, Indian agent in Yukon. This gentleman has spent from twenty to thirty years in the service of the church as well, among the Eskimos and northern Indians. Both these gentlemen know these people very well and are thoroughly acquainted with their habits, having made this practically a life work; and I am sure the government could have had their advice for the asking.

The government has created the new office at a cost of $8,000 a year. It has increased

the salary in connection with the old office from $6,500 to $8,000; and it has had two men on one job since October last, where only one man was needed, and this at a cost of approximately $16,000 instead of $6,500. If one turns to the public accounts and looks at the salary list he will find that the mining recorders in Yukon, who do as much work as this official, get along and raise families on salaries of $2,800 a year. I cannot see therefore where the necessity is for such difference in pay be ween these officials. I do not think that the minister will argue that he has so far disclosed any real reason for the shuffle in offices. I have heard all sorts of reports, a good many of which I am inclined to discount. Mr. Reid, the gentleman sent into the Yukon, borrowed, as the minister puts it, from the Department of Immigration to act as gold commissioner, has had a long record as a civil servant, a record worth preserving unimpaired. I hope he is not going to be encouraged to jeopardize that record by indulging in political partisanship. And I am not making any charge of that sort against him. Some rather unpleasant rumours have however reached me along this line and I shall know more about them after my visit to Yukon this summer.

The expenditure of money in connection with various public works looking to the development of Yukon has for some years now been spent with a view to getting fully a dollar's worth for every dollar put out; and it has been spent without regard to political patronage, both under the late administration and under this government. There is a great expanse of very promising territory up there, rich in mineral deposits which are by degrees being developed, and the government is well advised in spending money on those natural resources. It has been the practice to put in charge of these modest expenditures men who are experts in the work, for instance, of road and bridge building; and the policy has been to employ returned soldiers and married men as far as possible. The results have been satisfactory and I trust that there will be no departure from that policy, although I have heard rumours to the contrary. If these rumours are well founded I do not think anyone could be blamed for considering such a change of policy as nothing more or less than political partisanship.

The necessity for this elaborate Arctic expedition has not yet been established. I think a number of hon. gentlemen agree with me that the best policy in dealing with the Eskimos is to leave them absolutely alone. They have been there longer than the white men have been on this continent and have not needed such nursing. Simply because reports have come to the minister that the Eskimo girls are dancing to jazz music is no reason why we should worry about them. Possibly they may be indulging in Eskimo Pie or dissipating in similar ways, but that is no reason why we should send expensive expeditions into that country to deal with them. The government would be well advised to get information from the officers now in the department who are fully qualified to inform them and whose advice would be valuable. This would be much better than any shuffle in offices such as was disclosed this afternoon. I hope that before the item passes the minister will give the real reason for this change in officials in the two northern territories.

Mr. STEWART (Argenteuil): I cannot add anything to what I said this afternoon with respect to the change in personnel. I regret that the hon. member does not agree with the policy of the minister and of the department in this matter. I think I know why he is anxious about the changes in the Yukon territory, but I can assure him that in the reports from Mr. Reid up to date there is no suggestion of any change in the personnel. I am informed that the official who has charge of the road work is a very good man, and some of the other officials against whom complaints were lodged have been given a very good recommendation so far as I have been able to ascertain. It is not my desire that the administration should undergo any change until we make up our minds whether or not an expenditure of a very large amount of money annually is to be made. As my hon. friend knows, the output from the mines at the moment is not bringing any return to the government of Canada by way of taxes or otherwise. I am advised that, all told, there are not more than 2,800 white people in the territory. My hon. friend seems to have examined the Auditor General's report pretty thoroughly, and I think he will agree with me that that is a pretty stiff expenditure for what would be a very small sized municipality in other parts of the Dominion. I need not discuss with him the probability of a very drastic reduction in expenditure. I would not suggest that there should be any reduction of expenditure on road making, because I think the industry must be looked after, and possibly at a later date it will become remunerative. But so far I felt I had to meet the requests of the mining companies

and suspend for another year the royalties on the silver-lead output. I suppose no one in a public office escapes bombardment by people who for partisan reasons desire to see changes made I am bound to say that, so far as I can ascertain, the administration of the Yukon has been very well carried on. If I have made a mistake of policy in bringing Mr. Mackenzie out of the Yukon, I think my hon. friend will agree with me that as gold commissioner he rendered very efficient and faithful service, and it seems to me he is entitled to some consideration therefor. Despite all my hon. friend has said, I cannot help but think that Mr. Mackenzie is admirably fitted for the job that we want him to do. There is no elaborate expedition planned. I do not know where the articles referred to came from, particularly the one in the Gazette. We are not planning anything different from what we have planned in other years. Mr. Henderson succeeded Mr. Craig who cannot any longer go with these expeditions. He is a very admirable officer and knows the country thoroughly, as does Mr. Finnie, who is sitting here and is administrator of the Northwest Territories. Should any dispute arise as to our right to the possession of that territory, I think the hon. gentleman opposite would be the first to rise in his place and criticize the government. I am trying to avoid such a contingency. To make frank statements with respect to what we have in mind at the moment perhaps would not be wise, because what we say here is flashed all over the world. We are quietly and unassumingly trying to maintain our right in the territory. They may not be valuable, but I think they are, and I believe the future will prove the correctness of my view. I frankly confess that our first consideration in organizing the expedition is the native population. I do not agree with my hon. friend that we should leave them to their own devices. That might be all right but for the fact that fur traders are coming in from the United States and from Denmark and Sweden, and we must protect the native population.

Mr. ROSS (Kingston): I do not know Mr Mackenzie, but I hope he will appreciate the generous action of the minister in withdrawing him from the Yukon for service in the Arctic regions. If that is a reward for good service, I would pray to be delivered from such a gift. The study of the Eskimos has been taken up by very few people, and I do not think that because a man has seen service in the Yukon he is apt to be fitted for this important task, which requires a great deal of tact and sound judgment. The Eskimos have their own peculiar laws, and it would be very difficult for us to interfere with them. For instance, the minister says there are rumours that the Eskimos are suffering from famine. Well, part of the daily household work of the Eskimo woman is devoted to chewing her husband's shoes to keep them soft, and if an inexperienced man found these women so employed, he would be quite mistaken if he rushed to the conclusion that there was a scarcity of food. It would also be very difficult for us to interfere with the marriage customs of these people. They have always practised polygamy, and very often they trade their wives. An inexperienced administrator would find himself in trouble if he said to those people, "You must discontinue this custom." However strange the custom may seem to us, naturally the Eskimo thinks it is all right, and very often he returns to his first wife if he is left alone. Then too, the Eskimo is superstitious; he believes in certain spirits and is convinced that he who dies a violent death goes at once to the highest regions of bliss. This leads to their disposing of one another in a way that we would regard as murder, but they look upon it as the shortcut to their valhalla. Their customs are also peculiar with respect to their old people, and in this they are not very far behind what the Greeks practised in their palmiest days. The Eskimo believes in enjoying the present to the full, and he gorges himself at every meal. Consequently, when they come to a time of want and famine they move out to find food and they leave the old people and the sick behind to die. They believe that is a thoroughly proper custom, and it would be difficult for any inexperienced administrator to go up to that country and tell the people that they must take care of the aged and the sick and abide by our laws. The minister is doing a very dangerous thing in sending an inexperienced administrator among these people, and he will find himself some day minus a very good gold commissioner in the Yukon but with a very poor administrator or investigator of the customs of the Eskimo.

Mr. GARLAND (Bow River): In 1921-22 the amount of this vote was $208,170; to-day it is well over $352,000. What is the chief reason for the increase?

Mr. STEWART (Argenteuil): In 1921-22 the sending of a summer expedition to the north had been discontinued, and that accounts for a fairly good portion of our present expenditure. Since then we have established five or six new police posts throughout that north country, and although that does not

come under this vote, we provide transportation for the police up there and do other work in that connection. Then, the establishment of the wireless since that time has run us into considerable expenditure.

Mr. GARLAND (Bow River): I understood the minister to say a few moments ago that he proposed to reduce the expenditure in that territory as far as possible.

Mr. STEWART (Argenteuil): No, my suggestion was that we might reduce it, in other branches of the Interior department, but not in the Northwest Territories.

Mr. HOEY: Are the Eskimo people recognized as wards of the government? I remember a year or two ago we passed some legislation along that line.

Mr. STEWART (Argenteuil): That was really putting the Eskimo under the control of the Indian department, but we have not taken any steps in that direction, except the sending of a medical man up to Cumberland gulf.

Mr. HOEY: But they are not recognized as wards?

Mr. STEWART (Argenteuil): I am afraid we have to say they are. Were it not so, we could not very well go in and try them and imprison or execute them for infractions of our laws, as we have been doing.

Item agreed to.

Yukon—Salaries and expenses connected with the administration of the Territory, including Surveys	$65,000 00
Grant to Local Council	45,000 00
Grant for maintenance and construction of roads	70,000 00

Mr. STEWART (Argenteuil): If I might be permitted, Mr. Chairman, before we take up this vote, in fairness to a family and at the request of the hon. member for Fort William and Rainy River (Mr. Manion), I promised a little while ago to make a statement, when the estimates were under consideration, with respect to young Crawford who perished in the Wrangel island expedition. There has been a good deal of misunderstanding about this unfortunate expedition and Canada's share in any responsibilty in connection with it. We had nothing to do with the expedition. A letter which I shall read from Professor Crawford, the boy's father, will explain that his son was induced to join the expedition on the strength of statements made that the island was claimed by Great Britain; that the only other contender for it was the United States, and that Great Britain wished to secure Wrangel island as a base for air services that might later be established.

Mr. MEIGHEN: Who made this statement?

Mr. STEWART (Argenteuil): That will come out in the letter from Professor Crawford, which I shall read. It is as follows:

Ontario College of Education
University of Toronto
Toronto, May 8, 1925.

Hon. Mr. STEWART,
Minister of the Interior,
Ottawa.

Dear Sir:

We understand from the press that you are to give a statement in the House regarding Stefansson's Wrangel island expedition.

In justice to our son, Allan Rudyard Crawford, the twenty-year old commander of the expedition, we wish to bring to your attention the fact that he (and ourselves) knew nothing of the history of Wrangel island except what Mr. Stefansson had told him. Mr. Stefansson led him to believe that Great Britain had a legitimate claim to the island, and that the British government would back up his action in raising the British flag thereon. The nation having the next best claim, according to Mr. Stefansson, was the United States.

Our son was told nothing of Russia's claims, and it was not until he reached East cape on the voyage to Wrangel that he became aware that the Russians claimed the island. Could you make it plain in your statement that our son was unaware of Russia's claim?

Stefansson, who had no other British subject available to lead his expedition, appealed to our son's patriotism in such a way that the boy felt it his duty to go and raise the flag on Wrangel, and he died in the belief that he was dying for the empire.

Mr. MEIGHEN: Is that the entire letter?

Mr. STEWART (Argenteuil): Yes. It was written, I presume, after the hon. member (Mr. Manion) had raised the question in the House and I had promised to make a statement. I replied to this letter as follows:

Dear Mr. CRAWFORD:

I was glad to receive your letter of the eighth instant and to learn that your son had no knowledge of the Russian claim to Wrangel island when he was persuaded in 1921 to undertake that most unfortunate venture. The probability is I will make a statement in the House regarding this matter in the near future, and in doing so will be glad to follow your suggestion and make this point clear.

Thanking you for bringing this matter to my attention,

I remains,
Yours faithfully.

This is the statement I wish to make in this connection, Mr. Chairman:

The Canadian government steamer Karluk, carrying members of the Canadian Arctic expedition, was crushed in the ice off the coast of Siberia, during the winter of 1913-14. The nearest land was Wrangel island, some 90 miles to the south. Before the sinking of the ship the crew were able to land provisions on the ice which, during the succeeding months, were transported by dogs to Wrangel island. The occupation of that island was taken up in March, 1914, and continued until the following September, when the survivors were taken off by an American vessel the King and Winge. Shortly after leaving Wrangel they met the United States re-

venue cutter Bear, and as that ship was on the way to rescue the survivors, and having better accommodation, they were transferred.

Mr. Stefansson, in the belief that Wrangel island occupied a strategic position for an Arctic air base, wished to take possession of it on behalf of the British crown. With that object in view he formed the Stefansson Arctic Exploration and Development Company. He also intended to hunt and trap and later applied, unsuccessfully, to the department for a lease or license for that purpose.

In 1921, under private financing Stefansson sent a party to occupy Wrangel island.

Mr. MEIGHEN: When was the Stefansson Company formed?

Mr. STEWART (Argenteuil): In 1921, according to my notes. It says "In 1921, under private financing, Stefansson sent a party to occupy Wrangel island."

Mr. MEIGHEN: Just before that the minister referred to some company of his.

Mr. STEWART (Argenteuil): This is a continuation of the same company, the Stefansson Arctic Exploration and Development Company.

Mr. MEIGHEN: The first company that organized the expedition was in 1921.

Mr. STEWART (Argenteuil): That is the record. It continues:

Mr. Allan R. Crawford, a Canadian of Toronto was the leader, the other members being E. Lorne Knight, W. F. Maurer, Milton Galle—all United States citizens—and an Eskimo seamstress, Ada Blackjack. The government took no part in this expedition and were in no way responsible for the hoisting of the flag over Wrangel island. Nor did the government give Stefansson any encouragement to do so.

Mr. MEIGHEN: When did the expedition leave?

Mr. STEWART (Argenteuil): In 1921.

Mr. MEIGHEN: What time of the year?

Mr. STEWART (Argenteuil): In August. I am also informed that:

Crawford was induced to lead the expedition believing that Great Britain had the best claim to the island. He knew nothing of Russia's claim until he reached East cape on the Siberian coast.

In 1922, Stefansson organized a relief party, under Captain Joseph Bernard, and applied to this department for a contribution. The government duly considered the matter and P.C. 1735, of the 21st August, 1922, authorized the advance to Stefansson of the sum of $3,000 "to assist in providing for the relief of these four men who were left on Wrangel island." The steamer Teddy Bear left Nome on the 22nd August, 1922. It proceeded to the Siberian coast in the vicinity of East cape but, on account of ice, was unable to reach Wrangel island. The boat was obliged to return without establishing communication.

Mr. MEIGHEN: When did it leave, and when did it arrive on the Siberian coast?

Mr. STEWART (Argenteuil): I have given the dates.

Mr. MEIGHEN: I did not get them.

Mr. STEWART (Argenteuil): The memorandum reads:

P.C. 1735, of the 21st August, 1922, authorized the advance to Stefansson of the sum of $3,000.

Mr. MEIGHEN: That is when the government authorized it. When did they leave?

Mr. STEWART (Argenteuil): They left on the 22nd of August, 1922.

Mr. MEIGHEN: And returned when?

Mr. STEWART (Argenteuil): They went to the vicinity of East Cape, but on account of ice were unable to reach Wrangel island.

Mr. MEIGHEN: When did they return?

Mr. STEWART (Argenteuil): The following month, I am informed.

The memorandum continues:

The following year, 1923, another relief expedition was sent out but to this one the department did not contribute. It was headed by Harold Noice, on the steamer Donaldson. It was successful in reaching Wrangel island and what it found is now well known—Ada Blackjack was the only survivor.

In 1924, while the government did not intend to set up any claim to Wrangel island, they assisted Mr. Stefansson to place his representations before the Imperial government, by advancing to him the sum of $700 to defray his travelling expenses—P.C. 714 of the 21st August, 1923. It appears the Imperial government were not disposed to lay claim to the island but, before reaching a decision, submitted the matter to this government. P.C. 1227 of the 17th July, 1924, sets out clearly our position. It says "The view taken by the Imperial authorities as to the undesirability of laying claim to Wrangel island is shared by the government of Canada."

The tragic end of the 1921 expedition is most regrettable. Beyond doubt Crawford, the leader, was prompted by patriotic motives and died in the belief that he perished for the empire. The expedition was, however, carried out under the responsibility of Mr. Stefansson and the Stefansson Arctic Exploration and Development Company, and this government was not in any way connected with it.

Mr. MEIGHEN: I do not quite understand one feature of the story. The object of the expedition of 1922 was to try to rescue the party?

Mr. STEWART (Argenteuil): Yes, a relief expedition.

Mr. MEIGHEN: Yes, and I think the contribution to it was entirely justified. Did the government in any way supervise the character of the vessel, or have anything to do with selecting the personnel with a view to making sure the expedition would arrive at Wrangel island?

Mr. STEWART (Argenteuil): No, I am told, we did not. That was just a straight contribution to the relief expedition organized by Stefansson himself for the relief of these men.

Mr. MEIGHEN: I have no doubt Stefansson brought before the government the seriousness of the plight these men would be in.

Mr. STEWART (Argenteuil): Rather the contrary. He always maintained there would be no doubt about them being able to maintain themselves, that they could live upon the country, which I thought at the time was strange. But that was his contention to me personally. I am now speaking of his personal representations to me. Of course, he pressed very strongly that the Canadian government should lay claim to the island. He repeatedly urged consideration of that matter upon us, but I always felt the island was away out of the reach of Canadian territory, but that if it were to be available as an air base, and the British authorities thought so, the best thing for him to do was to take the matter up with them. I must say that until the return of the second expedition he maintained stoutly that there was no doubt about these young men being able to maintain themselves.

Mr. MANION: I am sorry I was not in and did not hear the minister read the whole of the statement. Did he give the facts as to the quantity of supplies, food and so forth, this expedition had with them, and for what length of time?

Mr. STEWART (Argenteuil): No.

Mr. MANION: The minister does not know what these supplies were?

Mr. STEWART (Argenteuil): We were in no way responsible for the expedition. It was organized apparently in Seattle. The only Canadian in the party was young Crawford, and the supplies, as a matter of fact the whole expedition, was organized without consultation with the Canadian government at all, and without any contribution from us. We had nothing to do with it.

Mr. MEIGHEN: Was the relief expedition of 1922 financed privately outside of this government's help?

Mr. STEWART (Argenteuil): Oh yes.

Mr. MEIGHEN: Does the minister know where the funds came from? Did the United States government supply the funds?

Mr. STEWART (Argenteuil): I do not think they did, but I would not like to make that statement definitely. I think it was largely private funds. I remember Stefansson telling me that the money he had raised to put into this enterprise was from friends and acquaintances, and he said what a terrific financial loss it was going to be to him.

[Mr. C. A. Stewart.]

Mr. MEIGHEN: You mean to his friends and acquaintances.

Mr. STEWART (Argenteuil): I simply repeat the statement he made to me. I have no knowledge as to who sustained the loss.

Mr. MEIGHEN: He may have put up the money himself, and if so it would be his own loss. But to the extent that a lot of his friends and acquaintances put up money it would not be his loss. Were the government aware of the failure of the expedition in September, 1922, and if not when did they become aware of it?

Mr. STEWART (Argenteuil): The first relief expedition?

Mr. MEIGHEN: The first relief expedition, yes.

Mr. STEWART (Argenteuil): I do not know that I can answer that question. I do not think that we had any official on the vessel, although I would not like to make a definite statement to that effect. The next summer was the time when he approachd us for assistance to send the second relief expedition.

Mr. MEIGHEN: The boat that went up in 1921 was a Canadian boat carrying the British flag?

Mr. STEWART (Argenteuil): Well, there is not any doubt that he intended to raise the British flag on the island, at least that was the—

Mr. MEIGHEN: It was a Canadian expedition, it was not American even if all but one of the men on it were Americans?

Mr. STEWART (Argenteuil): I have not the slightest doubt, Stefansson went with the firm purpose of taking possession of the island for the British government. That was his statement.

Mr. HOEY: Did the British government contribute to the first expedition?

Mr. STEWART (Argenteuil): No.

Mr. MEIGHEN: Did Stefansson approach the government for assistance for the second expedition?

Mr. STEWART (Argenteuil): In 1922?

Mr. MEIGHEN: In 1923 that was?

Mr. HOEY: In 1920.

Mr. MEIGHEN: According to the minister's statement it was in 1923.

Mr. STEWART (Argenteuil): I cannot say as to that. He was here repeatedly urging upon us the desirability of laying claim to this island. As a matter of fact at one time he wanted us to assure him of a lease for the island but whether or not he approached us for assistance for the second expedition I am unable to say. I have a very clear recollection that he repeatedly told me that there was no danger with respect to the lives of these young men—that they could live off the island.

Mr. MEIGHEN: I have not the slightest doubt he said that to the minister for I know that is the doctrine he is always preaching, he preaches it in his books, but the point is this: the expedition of 1922 was, as I understand it from the minister's statement, solely a relief expedition. It was not organized, even in part, for the purpose of establishing British suzerainty over the island. It had nothing to do with that purpose at all, it was purely for relief.

Mr. STEWART (Argenteuil): I may say that the feeling of the government here was that if the British government wanted the island, why, all right; but so far as the Canadian government were concerned we were not going to lay any specific claim to the island. Stefansson pleaded poverty in 1922 and the difficulty of reaching the island, and naturally we felt that it was a wise thing that a ship should get there in some way or another, and see whether these young men were on the island or not. However, that expedition failed. I cannot recollect whether he approcahed us in 1923 for any assistance to reach the island.

Mr. MEIGHEN: I heartily endorse the conduct of the government in giving assistance for the purpose of relieving the possible, and I would have thought, the most probable, plight of these young men on Wrangel island, but my criticism would be this: the government's concern was not sufficient, it should have been more, and in donating the money care should have been taken to see that the boat, the personnel, and the provisioning were such as were likely to achieve the desired object. I do not think the expedition should have been left merely as a sort of personal enterprise. Here was a Canadian expedition. unauthorized it is true, for the purpose of establishing British suzerainty over a certain island. Nevertheless it was understood as a distinctly Canadian expedition from the beginning.

Mr. STEWART (Argenteuil): I do not think my right hon. friend has placed the proper construction upon the enterprise. It was not Canadian. It was clearly intimated, and the memorandum points out with equal clearness, that it was a British and not Canadian enterprise. Crawford's father makes it very clear in his letter, that he and his son were induced to go because the expedition was going for the purpose of claiming Wrangel island for Great Britain, not for Canada—

Mr. MEIGHEN: Oh yes, I know.

Mr. STEWART (Argenteuil): —and the ship did not start from a Canadian port.

Mr. MEIGHEN: When it is claimed for Great Britain it is claimed, of course, for the British Empire, but my point is this: that whatever they may have purposed to do —even although they purposed to claim the island for Britain as distinct from Canada; which they did not, but even if they did—the expedition itself was Canadian. It was a Canadian who got it up.

Mr. STEWART (Argenteuil): No, no. Stefansson is not a Canadian is he?

Mr. MEIGHEN: Of course.

Mr. FORKE: He is sometimes one and sometimes the other.

Mr. MEIGHEN: Stefansson is a citizen of Canada, surely the minister does not dispute that?

Mr. FORKE: He was born in Gimli, in Selkirk.

Mr. MEIGHEN: He went down to Dakota and lived there a while and afterwards lived here.

Mr. STEWART (Argenteuil): Did he not take American citizenship at that time?

Mr. MEIGHEN: I could not say. If he did he lost it again. Stefansson is a Canadian.

Mr. STEWART (Argenteuil): He was born Canadian but my understanding was that he had taken out American citizenship.

Mr. MEIGHEN: I never heard that. If he did he must have re-established his Canadian citizenship. Stefansson is a Canadian; I do not think any one can dispute that.

Mr. STEWART (Argenteuil): It is disputed.

Mr. MEIGHEN: Is it?

Mr. FORKE: I have read a good many of Stefansson's works. I have read his book on Wrangel island. He attaches no blame to the government in regard to that expedition. If he blames any one it is the British government for being slow to move. Sometimes he is an American and sometimes he is a Canadian, just as it suits him or wherever he happens to be living.

Mr. MEIGHEN: I am not considering the question as to whether Stefansson attaches blame to anyone or not, that is not what I am arguing at all, I am arguing that it was a Canadian expedition.

Mr. STEWART (Argenteuil): I cannot let my right hon. friend say that. It was not a Canadian expedition. To say that it was is putting an entirely wrong construction upon the matter. All the records go to show that it was not a Canadian expedition.

Mr. MEIGHEN: Is this company registered?

Mr. STEWART (Argenteuil): I do not think it is registered in Canada. It was registered in the United States, I think.

Mr. MEIGHEN: Is that what the departmental officers think?

Mr. STEWART (Argenteuil): I am pretty sure that I am correct about that. However, the whole thing was organized in Seattle.

Mr. MEIGHEN: If the company owning the vessel is an American company then I would not contend for a minute that it was a Canadian expedition or the responsibility primarily Canadian. But as I understood it Stefansson was a Canadian and his company was Canadian and the boat owned by them, and the man in charge—although that makes very little difference—was a Canadian. The whole question is, was it the expedition of a Canadian company or was it not? If it was, our responsibility is considerably greater than it would be merely from the fact that there was a Canadian on board. Of course we have some responsibility from that fact also. I would like to know definitely whether the company was Canadian or not, and also the nationality of Stefansson. I never entertained any doubt on the matter. I always held that Stefansson was a Canadian and nothing else. I do not know what authority the leader of the Progressive party had when he claimed that Stefansson was an American. I never heard him so claimed.

[Mr. Meighen.]

Mr. FORKE: I should like to be allowed to set myself right. I have no authority to style him an American, but I have read his books and sometimes he speaks as a Canadian and sometimes as an American.

Mr. MEIGHEN: I never heard of that.

Mr. FORKE: I am inclined to believe the minister is right, and that Stefansson did take out naturalization papers in the States. He got his education in the States and lived all his life there.

Mr. MEIGHEN: Oh, no.

Mr. FORKE: He went to South Dakota when he was quite a boy.

Mr. MEIGHEN: He lived there to young manhood.

Mr. STEWART (Argenteuil): If we have the records, I shall be glad to verify where the company was organized. I know the outfitting was done from an American port, but the expedition as regards Crawford was for the purpose of taking possession of Wrangel island for the British crown.

Mr. MEIGHEN: Yes, of course.

Mr. STEWART (Argenteuil): There was never any suggestion that the Canadian government knew a single thing about it.

Mr. MEIGHEN: I do not think there was.

Mr. STEWART (Argenteuil): Therefore, I object to my right hon. friend saying that it was a Canadian expedition.

Mr. MEIGHEN: There have been, especially in the last few years, many things Canadian that the Canadian government knows nothing of. That is not the point. It was Canadian if the company was Canadian, and you cannot give it any other title. If the company was an American company, then, of course, there would be a good deal to say. In fact, I think there is no use arguing whether it was Canadian or Canadian responsibility at all. It was a Canadian company that owned the boat and launched it.

Mr. STEWART (Argenteuil): My right hon. friend surely would not argue that if some company took out letters of incorporation in Canada and then started off on an expedition, the Canadian government would be in any way responsible for that expedition?

Mr. MEIGHEN: I never said that it would be responsible. What I say is that if it is a Canadian enterprise and if, following that Canadian enterprise which has a laudable

object, whether a wise one or not, Canadian lives are imperilled, the fact that it was initially Canadian makes it more our concern than if it was originally Argentine or United States. If it was Canadian, I think the government should have taken a great deal more care in 1922 to see that the expedition was so fitted up as likely to reach its goal and to serve its purpose. In a case of that kind, the government of Canada, just as the government of any other country, would do under similar circumstances, even if it was only a Canadian life at stake, a Canadian life that could not possibly take care of itself, would naturally take pains to see to it that that life was rescued if possible. Take for example what is going on to-day, the Amundsen flight to the north. That is an American expedition. As far as I know, there is not a Canadian on board. It is American in initiation and personnel, and the American government takes an interest, not that it authorized the expedition, not that it is responsible for what that expedition does, but that it seeks to the best of its ability to see that American lives are not lost unnecessarily in any enterprise of that sort. The same wou'd apply in this case. I am free to admit that it would not apply to the same degree if it was of American initiation and launched by an American to begin with. There would still be some responsibility from the fact that there was a Canadian on board. The government, in fact, recognized that by the $3,000 grant. If it had been purely American and nobody interested in this country, the government would not have made a grant.

Mr. GARLAND (Bow River): Might that not have been done from a purely humanitarian standpoint?

Mr. MEIGHEN: The American nation, in case of a great calamity, might welcome a little help from us, but they can still afford to come to the assistance of two or three men without the help of Canada.

Mr. GARLAND (Bow River): But was it not a Canadian expedition that was going up to try to relieve them?

Mr. MEIGHEN: A Canadian expedition might go, but the government would not be justified in assisting if there were only Americans concerned.

Mr. GARLAND (Bow River): Why not?

Mr. MEIGHEN: Because they are quite capable of looking after themselves.

Mr. HOEY: They are almost as rich as we are.

Mr. MEIGHEN: Yes. I am glad the hon. member for Springfield recognizes that and something of the reasons why. Let us not get away from the point. The government recognized its responsibility in its grant and rightly so. The grant was perfectly proper. But surely the minister should, through some of his officers, have seen to it that the grant was not spent simply in an utterly inefficient manner upon an inefficient vessel, inefficiently equipped. I do not presume it was wholly inefficient. It turned out to be ineffective for its purpose, and when it failed, the minister would be all the more impressed with the fact that the lives that were sought to be relieved a few months before, would be in still greater danger. It seems to be difficult to realize that the government would sit idly by if even one Canadian were at stake up there on an American expedition.

Mr. MACKENZIE KING: In view of the right hon. gentleman's last remark that the government sat idly by when one Canadian life was at stake—

Mr. MEIGHEN: After 1922.

Mr. MACKENZIE KING: —I have not very clearly in mind at the moment all the facts surrounding the incident of the relief expedition, but I recall that when it came to the attention of the government that there was a young Canadian at Wrangel island, who had gone on this venture through the highest of patriotic motives and whose life was in danger, the government did not lose a moment in granting relief, in offering to assist the expedition to proceed north. My impression is that the request for help came from the boy's father and mother; that it came, if I recollect aright, through the editor of one of the Toronto papers in a communication stating that the boy's parents had brought the matter to his attention and asked that the government should give some assistance. I recall that part of it in a personal way, because I remember being very much impressed with the circumstance as placed before me at the time. My recollection is that the government immediately took steps to find out the quickest method of lending assistance and forwarded this sum of money towards starting off the expedition at once to the north. When we made inquiries, it was discovered that the ship was ready or could be got ready to sail immediately if financial assistance could be given, and it was because this one life was at stake a life which we regarded as precious so far as our country was concerned, the life of a young man of the highest character who had started on a mission

which he believed to be one of service to the empire, that we felt no stone should be left unturned to see to it that his life would be rescued and spared, as at the time, we believed was still possible. Since then I have met Allan Crawford's parents and talked with them. They have gathered all the information that it is possible to get with respect to the government's action and the action of others in this matter, and they are firmly convinced that, on the part of the government, there was no neglect in any particular. Indeed, I have in my hand a letter which was written to me by Mrs. Crawford shortly after the debate which took place in this House last session. So anxious were the parents of young Crawford to be present in parliament when this discussion came up, that I was asked by them if I would send them some word when the debate on the Wrangel island question was likely to take place on the estimates. Unfortunately I was not in the House at the moment the estimates came up, and I failed to send that word to them. I received then this letter which speaks for itself. The letter is from Mrs. Crawford, the boy's mother; it is marked "personal," but I think it now has a public interest.

168 Walmer Road,
Toronto, April 9, 1924.

Hon. W. L. MACKENZIE KING,
Prime Minister,
Ottawa, Ont.

Dear Mr. KING:

We were disappointed that the discussion of the Wrangel island question came up so incidentally that there was not time for you to send us notice.

Our newspapers contain only the briefest reports of the debate. We wondered if any special reference had been made to our son, Allan Crawford, and that he had died in the belief that he was doing a service for the empire. Is there likely to be any further discussion regarding Wrangel?

Mr. Stefansson has claimed repeatedly that the relief ship "Teddy Bear" sailed a month too late in 1922 owing to your government's delay in supplying the $3,000, thus implying that government delay was the cause of the Wrangel island tragedy. The enclosed statement by Captain Joseph Bernard proves that the sailing was not too late, and that therefore your government was not to blame for the tragedy.

I am,
Yours sincerely,
HELEN CRAWFORD.

I am sorry that among the papers I have here there does not appear to be the clipping to which the letter makes reference, but as I recall it, it was a cutting containing an interview with one who was in a position to know, which confirmed very strongly the view expressed in the letter I have just read from young Crawford's mother. I think if the parents of this heroic young man, who gave his life in the service of the empire just as truly as any of the great explorers and adventurers have given their lives in the service of mankind, feel that the government of his country was in no way negligent as regards the relief that was sent, this parliament can well afford to take the same view.

If there is aught remaining to be done it is to acknowledge the great patriotism of this young lad who undoubtedly was actuated by the highest motives, who showed exceptional courage and daring, and who I feel deserves at the hands of the country some expression of honour to his memory. That expression I should like to see given in the form of a public tablet erected in an appropriate place. I think that a deed of heroic courage of this character should certainly not pass unnoticed. I should add, seeing that the parents of this young lad, having viewed the matter from all sides, consider that the country has been true to their son that it would be most unseemly for any further question concerning the effort made to effect his rescue, to be raised in this House.

Mr. MEIGHEN: I did not know either the boy himself or his parents, nor have I met his parents nor heard from them since; nor had I heard indirectly any expression of their views in the matter until the letter was read this evening. Not only is this the fact, but I did not come to the debate with any idea in my mind that any blame attached to the government. I had not heard outside that any such blame was to be ascribed to anyone. I came rather in quite the contrary spirit; I pursued my questions merely with a view to ascertaining the history of the whole matter, and on the point covered by the letter I would not for a moment attach any blame. I never suggested that the expedition left too late, nor had I known of anyone else having made such a suggestion. I think the government was fully justified in the help it gave and I am glad it gave that help promptly to the expedition. The letter does not touch the point as to why the expedition was not followed up. There may have been reasons why it was not, but they have not been disclosed in the debate; and I should like the minister, possibly at a later date, to improve his recollection of the events, to look up the records, and to consult with those who had more closely to do with the matter in order to find out what explanation there is. At first sight it would seem to me at any rate as if, having started out on something of such great human consequence, it was natural that the officers concerned should see to it that the expedition was not wholly abandoned. And apparently, so far as the government is

concerned, it was. I am not at all anxious to raise a controversy now; I should be the most pleased of any in the House if some explanation could be given. And even without such an explanation I am not one of those who feel that the minister can keep everything in his mind; I fancy the matter should have been brought to his attention by the officers concerned. I shall welcome gladly any explanation which the minister can give.

I join in the tribute paid to the young man. While not knowing him or his immediate family, I knew the Crawfords and I had heard of the lad and of his ability even prior to the expedition. He was a young man of exceptional attainment and personality and character. No boy of the age of twenty would undertake an enterprise so perilous, so venturesome, so novel, unless he were indeed extraordinary. That he should have been lost while in the midst of that enterprise; that his death should have been of so tragic a character, in the northern wilds alone; and that his parents should have suffered as they have been called upon to suffer, is indeed something to be deeply lamented by the people of Canada. If some fitting measure can be introduced, some fitting plan suggested, to immortalize the act which he performed and to do justice to his memory in the eyes of the Canadian people, and particularly in the eyes of the parents of the boy himself, I am sure that I for one shall be pleased, as every other hon. member of the House undoubtedly will be.

Mr. FORKE: I have read Stefansson's account of the story of Wrangel island and, so far as I can see, I do not think that Mr. Stefansson blames anyone. Nor is anyone particularly to blame in connection with the tragedy of Wrangel island. Probably the trouble arose through the optimism of Mr. Stefansson himself; he believed that it was possible for people to live off the land, as he put it, out in this Arctic region. Apparently he had no fear whatever for the welfare of these young men during the first year. They had a lot of provisions in addition to what they could secure in the way of live animals in the northern waters, and when that first expedition was outfitted from Nome he had considerable trouble in raising sufficient funds to equip the ship. It was perhaps a week or two late in starting, and if I am not mistaken that is admitted. We all know the story of this tragedy; it was impossible for the expedition to get within reach of the island owing to the ice. Captain Bernier was forced to come back. Stefansson claims that during all that following winter he had no fears; he felt satisfied that the men would be able to live until the next season. We know now that he was wrong, and the conditions were such that undoubtedly they endured a great deal of hardship. There is some question as to whether it was want of food that induced the three men to leave Wrangel island for Siberia, or whether they were in sound health when they undertook the journey. They had attempted previously to make the journey and were driven back; after some weeks, with a lighter outfit and with one dog fewer, they made the attempt again. Unfortunately however, immediately after they had started out, a violent storm came up and they were heard of no more. Probably they were overwhelmed in the storm; possibly in a weakened state they could not stand up against the rigour of the elements. In regard to Knight, who was left on the island with Ada Blackjack, the Eskimo woman, suffering, and who eventually died, the story is tragic enough indeed. I do not want to blame anyone unjustly, but I think the mistake arose from Mr. Stefansson's belief that it was possible for men to live out there two years without outside help. He makes the claim that when people live in the Arctic regions one or two years they acquire a taste for the fatty animals, such as seals, which they catch. That may or may not be true; I do not know. However, the story is a tragic one, a story of great bravery. And while we cannot but lament the end we rejoice at the heroism and the courage of young men of this character who would attempt to endure such hardship for the purpose of bringing so remote an island into the empire. With the concluding remarks of the Prime Minister (Mr. Mackenzie King) and the leader of the opposition (Mr. Meighen) I entirely agree. I think some fitting memorial ought to be erected to this young Canadian, who certainly was a hero in the fullest sense of the word. Perhaps some blame might be attached to Mr. Stefansson for leaving this youth where he would have to endure such severe hardships. I repeat, I heartily endorse the suggestion made by the right hon. Prime Minister and the leader of the opposition.

Item agreed to.

Dominion lands and parks—salaries of the Dominion Lands outside service, $469,556.

Mr. McQUARRIE: How is the decrease of $36,824 made up?

Mr. STEWART (Argenteuil): I have not got the actual details, but we closed some offices and amalgamated others and were thus

able to effect this saving in the western territory.

Mr. McQUARRIE: What offices were closed?

Mr. STEWART (Argenteuil): We closed the Saska oon and Swift Current offices and reduced the staff in others. We also closed the Kamloops office, but found it necessary to re-open it to provide for the business in that particular locality.

Mr. McQUARRIE: Was any saving effected in British Columbia at all?

Mr. STEWART (Argenteuil): Not in the closing of offices, but we have not as big a staff there as we had formerly.

Mr. McQUARRIE: The minister speaks of amalgamation; does he refer to the Forestry branches?

Mr. STEWART (Argenteuil): No. My hon. friend will find an increase in that vote when we reach it.

Mr. McTAGGART: How many inspectors are in the field in the timber and grazing branch in Saskatchewan and Alberta and who are they?

Mr. STEWART (Argenteuil): We have fourteen timber inspectors and twenty-seven homestead inspectors but we have not got them divided by provinces.

Mr. McTAGGART: I understand the inspector who has been inspecting grazing leases in Saskatchewan has his headquarters at Kamloops B.C. I was wondering how large his district is.

Mr. STEWART (Argenteuil): Their territories are pretty extensive. As far as possible we keep these men within a reasonable distance of where they reside but when a dispute arises and a reinspection is ordered, we send in a chief inspector from the outside. Generally speaking, we have discontinued the separation of homestead and grazing inspection, these two lines being somewhat similar, but timber inspection has to do with entirely different work and is a distinct branch in itself.

Mr. McTAGGART: I understand that last summer the policy of issuing grazing leases for ten years only was changed, and that now these leases are issued for a term of twenty-one years. What was the reason for this change of policy?

Mr. STEWART (Argenteuil): As my hon. friend knows, the cattle raisers have had a rather difficult time, and for financial reasons were not able to develop the cattle industry to the same extent as would be possible on a more permanent basis. The banks apparently look upon any investment in cattle with more favour if the cattle man has a twenty-one year lease. Therefore after listening to all the representations that were made, I felt it was the right thing to extend the term of these leases, particularly in the southern grazing areas. I consulted both provincial governments in respect to the matter and they agreed that it would be wise on our part to change the leases, and we are therefore issuing twenty-one year leases in southern Saskatchewan and Alberta. North of the old pre-emption area we still issue the ten-year leases.

Mr. McTAGGART: I take it that it is the policy of the department to encourage the development of the private ranching industry?

Mr. STEWART (Argenteuil): Yes.

Mr. McTAGGART: Then is it the departmental policy to encourage the development of the community pasture idea?

Mr. STEWART (Argenteuil): That is an entirely different matter. Community leases are granted by and under the control of the provincial government; they can handle the matter very much better than we can at this distance from the scene of operations. But reports are made on all these leases as they come up for renewal, and if it is thought desirable and companies can be organized, the province is ready to do it. But the federal authorities do not lease them in that way.

Mr. McTAGGART: Then the department does encourage the development of the community pasture idea?

Mr. STEWART (Argenteuil): We do not interfere in the matter. If it is the desire of the provincial government that a private lessee shall be given a new lease and it is the intention to turn it into a community pasture, we leave it to the provincial government.

Mr. McTAGGART: That comes under the legislation passed two years ago?

Mr. STEWART (Argenteuil): Yes.

Mr. McTAGGART: It is my impression that under that legislation it is necessary that the person enjoying the lease give notice to the provincial government of renewal or cancellation three years before the expiry of the lease.

Mr. STEWART (Argenteuil): It used to be four years. Application for renewal is usually made a sufficient time ahead to

maintain continuity. If the lease is to be cancelled the lessee ought to be notified in order that he may not suffer loss by the sudden termination of his lease. In fairness to him I think that ought to be done. It is when the renewal is about to be executed that the provincial governments are notified.

Mr. McTAGGART: I bring this to the attention of the minister because of the situation created in recent months in connection with the Big Stick forest reserve. At the time of the transfer of this reserve to the Timber and Grazing branch the various stockmen's associations in that reserve, rightly or wrongly, were under the impression that they were closely approximating the community pasture idea and that their application for leases in the reserve would receive favourable consideration at the hands of the department. There are a number of these stockmen's associations in the Big Stick forest reserve, and I am informed that at the time of the transfer, when notices were posted up in the reserve advising the lessees or permit holders that the reserve was to be taken over by the Timber and Grazing branch, it was understood that their applications would be given priority. I am not certain that that is so, but that has been represented to me as being the case. Two at least of these associations, the Lemsford stockmen's association and the Big Stick stockmen's association, made application to the department for the lands which they had formerly held under permit, but the application was not granted. I am not blaming the departmental officials; I am making a study of the question at present, because a very difficult situation has arisen in this connection. When the inspector went on the ground to make an allotment of the various lands as between the different parties who had made application for them, what was it he had in mind in the matter of departmental policy? Was he led to believe that that policy favoured the encouragement of the private rancher rather than the stockmen's associations or the community pasture idea? The inspector, by the way, was from Kamloops. Perhaps he had the wrong idea in his mind when he went out to make that inspection; perhaps he thought he was sent there by the department to the end that the private ranching industry might be encouraged rather than the development of the community pasture idea. I would like to be satisfied on that point.

Mr. STEWART (Argenteuil): So far as forest reserves are concerned we lease them more or less on the community basis. There are private ranchers in forest reserves who have considerable areas under lease. Generally speaking, in order to satisfy that demand, wherever a forest reserve is within a reasonable distance of a farming community we have encouraged the people to put their cattle in. Sometimes, of course, demands are made upon us that are embarrassing. Sometimes a rancher who has had a considerable area of forest reserve under lease for years feels that an injustice is done when he is forced to give up that area and the land is leased on a basis of so much per head of cattle.

Mr. McTAGGART: The lands I refer to are not in the forest reserve; they are now under the Timber and Grazing branch

Mr. STEWART (Argenteuil): In this case is it a private owner who is given the preference?

Mr. McTAGGART: Yes.

Mr. STEWART (Argenteuil): We are not in any way trying to discourage stockmen's associations; in fact, we rather encourage them. But it is difficult to undertake the responsibility of community grazing upon lands that are adapted for leasehold, and for the most part these lands are removed from the agricultural areas. However, I shall be glad to look into that matter. I think the hon. member has already brought it to my attention and I have had some investigations made. It would seem that some injustice was done there, because former leaseholders were deprived of improvements, and we ought to see if some adjustment could not be made to remedy that.

Mr. McTAGGART: I am very glad to hear the minister make that statement, because a very undesirable situation has been created as a result of the giving of these leases. This reserve lies in an ideal position for the development of the community pasture idea. To the east, to the west and to the north of this reserve there is splendid agricultural land, and these farmers will be unable to carry on on a mixed farming basis, that is, they will be unable to carry any quantity of stock, unless they have access to this area. The area is known as the Great Sand Hills, and it is not fit for anything but grazing. It is an area about forty miles long and perhaps twenty-five miles wide, and is a splendid area for the development of this idea. I have been very sorry to note that these associations, some of which have been carrying on for a number of years, have felt

recently that they have not been given a square deal in the granting of leases by the timber and grazing branch, and I should be very glad indeed if the minister would undertake to have this matter straightened out.

Mr. COOTE: Can the minister tell us whether the twenty-one-year leases are being granted only in the case of leases which are expiring, or in the case of leases which have still some years to run?

Mr. STEWART (Argenteuil): At the moment we are considering every application that comes in to us from that particular area.

Mr. COOTE: I would suggest to the minister that to me it does not seem quite fair for the Dominion government to do that, because I understand that at the present time negotiations are being carried on with the province of Alberta, particularly, for the return of their natural resources, and one of the natural resources which would be of considerable value to them is these grazing lands.

Mr. STEWART (Argenteuil): They will all go over to them.

Mr. COOTE: It does seem to me that the provincial government should not be handicapped with twenty-one-year leases on so much of these leased lands in view of the fact that the natural resources may be soon returned to the provinces. Has the minister consulted the provincial government at all in that regard?

Mr. STEWART (Argenteuil): Yes, with both governments, and I did receive a letter from the Minister of Agriculture in Alberta suggesting that in view of the fact that the natural resources might be returned to them, while he had no objection to twenty-one-year leases, he voiced the opinion that perhaps it would be well to delay in this matter, but inasmuch as no particular objection was taken to the granting of twenty-one-year leases, and as the stock men in Saskatchewan were being granted this privilege by the Saskatchewan government, I felt that it was unfair to hold up these ranchers in Alberta, who are all in one organization, and I am therefore issuing the twenty-one-year leases. I frankly confess I had no opposition to this idea except for the statement I have mentioned, that in view of the fact that at some early date the natural resources might be turned over to the provinces, it might be well to delay in this matter.

Mr. COOTE: The minister does not feel that the ranchers would be held up at all if they were given ten-year leases, as has been done in the past?

Mr. STEWART (Argenteuil): I think I am safe in saying, and I think my hon. friend will agree with me, that cattle raising in western Canada is in a pretty critical condition to-day, and has been for some time, and unless some relief is given to our cattle raisers in Alberta and Saskatchewan, in the southern areas of those provinces, there is going to be a large number of failures among them. That was my reason for granting these leases, in order that if at all possible we might save that industry, because it is a very important industry throughout that area.

Mr. KENNEDY (Edmonton): Would the minister apply the same policy to northern Alberta?

Mr. STEWART (Argenteuil): That is vastly different. In most cases where there are ranchers in northern Alberta, perhaps a demand may be made in the very near future for those lands for agricultural purposes, but that is not the case in the southern portion of the province. I am prepared to take full responsibility, after some years of experience, and realizing the critical situation in which the stock raisers find themselves, for the increased tenure in these leases. I think it will result in a very great advantage to the cattle raisers.

Mr. COOTE: The only reason I mention it is that it does seem to me, in view of the possibility of the natural resources being turned over to the provinces at an early date, the ranchers would not have been left very long in suspense if it had been left for the province to deal with. I think it should have been left to the provinces to decide. I hope the Minister of the Interior will advise the Minister of Agriculture of the severe straits in which the cattle men of western Canada are to-day. I agree with what the Minister of the Interior says about their position.

Can the minister tell the committee what area of these lands are under lease in Alberta and Saskatchewan, and what is the annual rental collected?

Mr. STEWART (Argenteuil): Grazing leases?

Mr. COOTE: Yes.

Mr. STEWART (Argenteuil): I do not know that I could give that in detail, but in the particular area in which the leases are to be issued I felt there should be a promise that these leases would be continued when the natural resources were turned over, because

I have gone into the thing so thoroughly, have discussed it with the financial institutions and with the ranchers themselves, and I realize full well the necessity for this change.

Mr. McTAGGART: Can a lessee convert his lease into a twenty-one-year lease? Say a lessee was holding at the present time a whole township of land, and his lease expires in four or five years, can he convert that lease into a twenty-one-year lease?

Mr. STEWART (Argenteuil): Yes, unless it is land that is liable to be useful for agricultural purposes, and always there must be inspection first. We do not grant these leases until after we have made a thorough investigation of all the circumstances in that particular area. There are some lands on which we would not grant a twenty-one-year lease, because they might be required for some other purpose, and in such cases the ten-year lease will remain in effect.

Mr. McTAGGART: Would that prevent residents in the district from joining together to take advantage of the proviso?

Mr. STEWART (Argenteuil): We are not issuing leases on agricultural land for that length of time. These are lands that for the most part have been leased for years. Take, for instance, the foothills in the territory represented by my hon. friend from Macleod (Mr. Coote), or the Galician district. There is a possibility of these lands being required for agricultural purposes in some places, but they are all within the pre-emption area, and perhaps in Saskatchewan the same thing applies. We propose making a very careful inspection of the whole situation.

Mr. McTAGGART: There is another matter I desire to bring to the attention of the minister. There are a number of townships along the border which have been set aside as quarantine townships. There are two such townships in the vicinity of what is known as West Poplar, which is a customs port between the United States and Canada. I happened to go through that quarantine section a year ago, and I want to call the minister's attention to what I found there. There is a road leading through West Poplar, which is about half a mile from the customs office, and I found that that road is practically impassable except in very dry weather in midsummer. There is an old river bed very close to the boundary, and it is practically impossible for anyone to get across the line either coming from or going into the United States except in the dryest weather. I would urge very strongly upon the minister that if we desire to encourage traffic, tourist traffic particularly, from the United States, something should be done to put that road into such shape that it could be used by automobiles. It would not require very much to make the road passable, there is just the one crossing.

Mr. STEWART (Argenteuil): Does my hon. friend mean that the federal government should do this?

Mr. McTAGGART: Yes.

Mr. STEWART (Argenteuil): I am afraid we could not consider a proposition like that. The roads in all parts of the province are a provincial matter entirely.

Mr. McTAGGART: But it is Dominion land.

Mr. STEWART (Argenteuil): I quite appreciate that, but we do not do anything towards maintaining the roads.

Mr. COOTE: I wonder if the minister is able to state the amount of leases?

Mr. STEWART (Argenteuil): The number of grazing leases in force during the year was 7,532 containing an area of 6,329,035 acres made up as follows: Manitoba 95,371 acres; Saskatchewan 3,012,037 acres; Alberta 2,870,957 acres; British Columbia 350,670 acres. Unfortunately I have not got the receipt for each province.

Mr. COOTE: Is the land leased at two cents per acre?

Mr. STEWART (Argenteuil): Yes, this land would be put up at two cents per acre

Mr. COOTE: I wonder if the minister could tell me how much of this land in Alberta would be leased for twenty-one years?

Mr. STEWART (Argenteuil): None of it at the moment. There are a considerable number of applications in and being dealt with, but we have not issued any leases so far as I am aware.

Mr. COOTE: Did the minister say that that only applied to the area south of township 16?

Mr. STEWART (Argenteuil): No, the old pre-emption area; it is township 30, I think. The old pre-emption area ran down to somewhere in the vicinity of the Calgary and Edmonton railway, but we have extended it to the foothills in the case of the area from which these leases would be granted.

Mr. COOTE: Could the minister say whether there is any limit to the amount which one lease holder may secure from the government?

Mr. STEWART (Argenteuil): Yes.

Mr. COOTE: What is that limit.

Mr. STEWART (Argenteuil): I think it was 12,000 acres, but I am inclined to the belief that we have increased that in some of the drier areas. It depends a good deal upon the locality.

Mr. COOTE: In the Porcupine hills would that be the 12,000 area?

Mr. STEWART (Argenteuil): I think so but I could not say definitely. That is a pretty good area.

Mr. COOTE: I should like to refer the minister to the case of the Glengarry lease at Claresholm. He will remember there was about one half, or a little more than one half, of that lease granted to Mr. Burns, or to the Burns company.

Mr. STEWART (Argenteuil): There is much more than that, is there not, leased to private parties?

Mr. COOTE: I do not remember the exact details, but I want to remind the minister of one or two cases which I think were not fairly dealt with in that area, particularly the cases of Mr. Bolton and Mr. Anderson, as I remember the names now, although there were some others. In this case these men have been in that country a long time and have raised a lot of cattle, but I think neither of them has ever had a lease. When these men applied for a lease I do not think their application was given fair consideration.

Mr. STEWART (Argenteuil): Was not Mr. Bolton's case adjusted? He was to the north. I think he got the three quarter sections he wanted. Mr. Anderson's case was not settled; he was in the midst of the ranching lands, if I remember.

Mr. COOTE: I would be very glad to know that Mr. Bolton had been given three quarter sections. I know he applied for the section and three quarters immediately adjoining him. He pointed out to me that he had been in the country twenty-five years and had never had a foot of lease. Mr. Burns, I presume, had hundreds of thousands of acres of lease, and probably sold again at a profit. Many of the leases in western Canada have been traded in, making very handsome profits for the holders of the leases. It is quite possible that some of this land that is being leased for twenty-one years will return a handsome profit to the holder before that time expires. When the twenty-one years are up the cattle industry will, we hope, be in a different position from what it is to-day. Before sitting down I should like to ask if the minister would tell me how many leases have been turned over to the provincial governments for community leases, if any?

Mr. STEWART (Argenteuil): I think I can tell my hon. friend from memory. There is only the Matador lease in Saskatchewan, and one in Alberta. I am not sure that it was not a portion of the Glengarry, that lease that was opened but never taken up. I know of no other application in Alberta.

Mr. COOTE: I should like to say that I think the Glengarry lease was not very suitable, for community pasture.

Mr. STEWART (Argenteuil): That was not the answer that was made to me.

Mr. COOTE: Perhaps the people did not desire this for community lease anyway. But I think it might have divided up among the people living in the district. I should like the minister to look into the case of Mr. Anderson about whom I have already spoken to him. I think Mr. Anderson is surrounded on three sides by this ranch. I really think he should be given that section of the lease, and hope the minister will see if that could not be arranged even yet, because I do not think the best disposition was made of the land in the first instance.

Mr. STEWART (Argenteuil): I know that Mr. Anderson's case was taken up with Mr. Burns. I think the latter now has only six sections left of the old lease. The balance—the Glengarry ranch—of course he bought and owns outright, but he has been fairly generous in giving out that lease to those surrounding him. My recollection now is that there is only twenty-five per cent of that lease left. However, I will be very glad to see what I can do—and I think Mr. Burns will also—to encourage Mr. Anderson. At all events Mr. Burns promised me he would endeavour to give him some relief by way of more land adjoining his holdings there.

Mr. COOTE: I do not want to be misunderstood in regard to this case of Mr. Burns. As I understand it, the department really cancelled the lease and afterwards reinstated the old company in a part of it. I think that when they had once cancelled the lease those living in the vicinity who had made application should have had the first opportunity of securing leases.

Mr. STEWART (Argenteuil): My hon. friend is wrong about that. The lease was opened for community grazing purposes to the government of Alberta. I was not just sure about the lease but my hon. friend confirms my statement in regard to it. It was in the hands of the Alberta government for some considerable time for the purpose of community grazing. Then Mr. Burns having purchased the Glengarry ranch made application for the unappropriated portions of the lease and received them under lease in that way.

Mr. COOTE: As I understand it from the department, Mr. Burns secured his lease by assignment from the old holders of the lease, the old Glengarry Ranch Company. But their lease had been cancelled; if it had not been the land could not have been offered for community grazing. When it was not desired for community pasture then the applicants living in the immediate vicinity should have been taken care of, and I am glad to say some of them were. About one-half of the land was divided up amongst these applicants.

Mr. STEWART (Argenteuil): More than that.

Mr. COOTE: It seems to me the department rather exceeded their authority, in recognizing an assignment from the company that had previously held the lease. The lease had been cancelled, so what interest that company had to assign I have never been able to figure out. I think the proper policy for the department to have pursued would have been to take into consideration all the applications that were made by residents in that vicinity, because some of those people are so badly in need of pasture that even a quarter section of lease would be much appreciated.

Mr. GARLAND (Bow River): What reductions have taken place in the number of the outside service? I notice there is some reduction in the amount of money asked for this year for staff salaries.

Mr. STEWART (Argenteuil): We had 260 last year and we have 246 this year under this item. That is a reduction of fourteen.

Mr. GARLAND (Bow River): What positions were done away with, land inspectors or what?

Mr. STEWART (Argenteuil): Some in each class. It is very difficult for me to give my hon. friend details of the actual positions that are done away with. The Dominion Lands service extends over the whole three prairie provinces and the British Columbia belt.

Mr. GARLAND (Bow River): Were any land inspectors let out?

Mr. STEWART (Argenteuil): Four.

Item agreed to.

Dominion Lands contingencies, etcetera, $175,000.

Mr. BANCROFT: I should like to ask the minister to modify the regulations a little in order to allow a certain type of settler to homestead the second time. There is a district between lake Winnipeg and lake Manitoba in Manitoba that was settled up some years ago by immigrants who were brought in from Scandinavia and central Europe. While the great majority of them got very good land, in some cases they got land that is not fit for agricultural purposes at all. This was all bush country and while there was wood on the land, these men were able to make a living by cutting and selling it every year. But now the wood is practically gone and it is impossible for them to make a living there. During last winter, after a crop failure in that district, many of them would have starved had it not been for relief that was granted to them by the municipalities and the provincial government. The reason I am asking for special consideration for these men is that they did not homested in the regular way. Those of us who have homesteaded know and the minister knows that you go and select your land and take your chance. It is up to you. These immigrants could not talk English and the land was selected for them. The departmental officials took them around and said: This is your land; this is your quarter section, and so on. They were not allowed the privilege of selecting their own land. Probably they could not have made a better job under the circumstances, not knowing the country and not being able to speak English, but the point is that they are not in the same position as a man who goes out and selects his homestead. The land they got turned out afterwards to be totally unsuitable for agriculture. Incidentally, I may say that some of that land has been sold to soldier settlers in that district and that is one reason why I have been pressing as hard as I can for revaluation in that section. These settlers should be allowed to homestead again where it is known that the land they are on is absolutely unsuitable for agricultural purposes. The homestead inspectors in that part of the country know what quarter sections

come under that class. The land agent at Winnipeg, I am sure, will know it. Anyone connected with the work will know where the unsuitable quarter sections are, and my suggestion is that the department might modify their regulations a little. I do not think it would involve any expense at all, and no one, I am sure, would object if these regulations were modified a little so that these men might be allowed to go somewhat further north and take up land that is really fit for agricultural purposes.

Mr. STEWART (Argenteuil): The hon. member is asking something that is very difficult of accomplishment. I have had many requests for second homesteads, but this opens up a big question. I know there are many cases where this might result in keeping people in the country; but when you open up the consideration of the this question, you open up a pretty wide problem. We have done it in Saskatchewan and Alberta upon the recommendation and authority of the provincial government. Where a man was tried out for a series of years, made a failure and was desirous of settling in the northern portions of the province, if he was recommended by the provincial government, we met their request, not in very many instances, not as many as one would think. In some instances that has been done. Possibly something of the same kind could be done in Manitoba, but I have looked into the matter pretty thoroughly and a tremendous amount of difficulty is entailed. I think the leader of the opposition (Mr. Meighen) two years ago, when we were discussing this matter before, enumerated a number of the difficulties and pointed out how dangerous it would be to embark upon a policy of that kind. It might, however, be worked out in the way I have mentioned.

Mr. BANCROFT: The minister surely knows these are peculiar cases where immigrants who are unable to speak English are settled on land without being given any opportunity of selection at all. If the minister has ever been in that district, he will know my description of it is fairly accurate. The land after the bush is taken off is stony, scrub land, and the stones are coming up every year. You do not get rid of the stones by taking them off the top as in some districts. The soil is a very shallow loam on a gravelly subsoil, and it is absolutely unsuitable for farming operations. I am referring to certain ridges and there are not a great many cases. The minister states that this is not a new departure, and I am sure there is not a more deserving case in the whole of western Canada than the district of which I speak.

[Mr. Bancroft.]

Mr. STEWART (Argenteuil): I shall be glad to discuss the matter with the provincial authorities, if my hon. friend will interest them in the matter.

Mr. WOODSWORTH: In endorsation of what the hon. member for Selkirk (Mr. Bancroft) has said, I know that country and I believe a great deal of it ought never to have been homesteaded. Some of it is fit for cattle raising; it is not fit for grain growing, and yet these people were placed upon the land. Their children are spending half their time in picking up stones, and when they get the stones off there is nothing beneath that is worth cultivating. I also know, speaking of the cities, that many of these people, driven off these homesteads, are drifting back to the city of Winnipeg. We have them there, unaccustomed to work in the city, unemployed, and on the relief, whereas they came to this country with the earnest expectation of making good, and if they were given a chance in a new locality they would make good. It seems absolutely absurd to go to the ends of the earth in order to get more immigrants, while we have in Canada people who would make good if they were given a chance. I would urgently request, under these circumstances, that the suggestion made by the hon. member for Selkirk be carried out.

Mr. WARD: I support very strongly the stand taken by the hon. member (Mr. Bancroft); I do not think that any more worthy suggestion has been made in this House. But I would not confine it to districts such as he has described. I believe that literally thousands of settlers who have left this country after becoming insolvent could have been retained if we had had some such policy as has been suggested. I do not underestimate the difficulties that might be encountered in evolving some new amendments to the Homestead Act which would implement this proposal. I have received this session a number of letters from observant business men in my constituency who have watched the trend of events during a number of years, and they strongly urge upon me to make representations to the Minister of the Interior in this regard. This I have done on one or two occasions; I have requested that this matter be considered. These farmers have become insolvent not always it is true, because they have been settled on a stone pile, but very frequently they have failed through no fault of their own and they have been forced to leave their farms. I think that they should be enabled to re-settle We must not forget that many of those settlers coming in from

elsewhere have been assimilated into the society of the country at great expense and now that they have grown accustomed to our ways and are used to our climate they would make much better settlers than new immigrants whom, as the hon. member has suggested, we may hunt out of the extreme ends of the earth. This is an important question and I would earnestly ask the minister to take it into his most serious consideration. We are passing through trying times and I hope that he will consider the question favourably.

Mr. McQUARRIE: Will the minister give us the details of this item?

Mr. STEWART (Argenteuil): The details of this estimate are as follows:

1. Expenses of 30 homestead appraisers, including purchase, renewals and repairs of travelling outfits, etc..	$60,000
2. Expenses of 13 timber inspectors, including, as in the above item, purchase, renewals and repairs of travelling outfits, etc.. ..	16,000
3. Expenses of 3 inspectors of ranches.. ..	6,000
4. Expenses of 13 Dominion Lands and Crown Timber agencies. These expenses consist in the payment of telegrams, telephones, commission and postage to sub-agents, clerical assistance of a temporary nature only, janitor service, etc..	27,000
5. Travelling expenses of outside officials when away on Government business, including Superintendent of Western Land agencies, assistant land agency inspectors, travelling auditor, etc..	24,000
6. Printing and stationery. This item is to cover the cost of printed forms used in transacting public business, the purchase and repairs of typewriters and for all stationery required in the Dominion land offices and sub-land offices..	25,000
7. Advertising re sale of timber berths; also to cover accounts in connection with lands open for entry, etc..	2,000
8. Motor car service at Ottawa, including repairs to and renewals for trucks for delivery of mail and files, minister's car, etc.. ..	5,000
9. Miscellaneous; Freight and express charges, telegrams, etc., paid at Ottawa, and for unforeseen expenses during 1925-1926..	10,000
	$175,000

Mr. McQUARRIE: How much was spent last year ?

Mr. STEWART (Argenteuil): I am sorry I cannot give the details for last year, but the year before we spent $160,740.05, and as my hon. friend will note we have reduced the estimate by $35,000 this year as compared with last year.

Mr. COOTE: How many homestead entries were there last year?

Mr. STEWART (Argenteuil): The report shows 3,855.

Mr. COOTE: Does the report show the number of abandonments?

Mr. STEWART (Argenteuil): No, they drag on from year to year.

Mr. SPENCER: Has the minister any record showing where the homesteads were taken in the different provinces?

Mr. STEWART (Argenteuil): I have not that information by provinces but by land districts. They are as follows:

Manitoba—	
Dauphin..	314
Winnipeg..	317
Saskatchewan—	
Battleford..	159
Moose Jaw..	79
Prince Albert..	1,308
Saskatoon..	139
Swift Current..	13
Alberta—	
Calgary..	147
Edmonton..	942
Grande Prairie..	94
Lethbridge..	21
Peace River..	142
British Columbia—	
Kamloops..	78
New Westminster..	86
Revelstoke (6 months)..	16

Mr. SPENCER: Is the government giving any encouragement to homesteading in the Peace river district just now?

Mr. BANCROFT: The minister said there were thirteen in Swift Current.

Mr. STEWART (Argenteuil): That was before the office was closed.

Mr. BANCROFT: I was going to suggest that it should be closed.

Mr. GARLAND (Bow River): What encouragement is the government giving to settlement in the Peace river district?

Mr. STEWART (Argenteuil): We are not giving any encouragement to homesteaders there.

Mr. GARLAND (Bow River): The minister is right; the government is not giving any encouragement and the sooner we get a railway line there the better it will be.

Mr. SPENCER: Is it the intention of the government to stop sending settlers there until railway transportation is provided?

Mr. STEWART (Argenteuil): We cannot stop settlers from going.

Mr. COOTE: Has the government a land office in the Peace river area?

Mr. STEWART (Argenteuil): Yes.

Item agreed to.

Amount required to pay the fees of the Board of Examiners for D.L.S., of the secretary and of the sub-examiners and for travelling expenses, stationery, printing rent of rooms and furniture, etc. (The fees of Messrs. J. D. Craig, W. M. Tobey and Harry B. Parry, members of the board, and J. A. Cote, secretary, are to be paid out of this sum), $2,000.

Mr. STEWART (Argenteuil): Mr. Chairman, I want to substitute the name of Mr. F. H. Peters for that of Mr. J. D. Craig.

Mr. STEVENS: Why? Is not Mr. Craig the head of the branch?

Mr. STEWART (Argenteuil): Yes, but he has recently been appointed director general. Mr. Peters is now in charge of this particular work.

Mr. COOTE: Where are the examinations held?

Mr. STEWART (Argenteuil): At various points in the Dominion.

Item agreed to.

To assist in publishing the transactions of the Association of Dominion Land Surveyors, $125.

Mr. McQUARRIE: Why is this necessary?

Mr. STEWART (Argenteuil): This has been an annual grant for I do not know how long to assist the surveyors' association to publish the papers read at their annual meeting.

Mr. McQUARRIE: Why should we assist the Dominion land surveyors?

Mr. STEWART (Argenteuil): Well, much the same as we assist the Alpine and other associations with a very small grant. It has been made for a great number of years, and I have not thought it wise to strike it out.

Item agreed to.

Protection of timber, tree culture, inspection and management of forest reserves, surveys of forest resources and research in forestry and forest products, etc., $1,185,000.

Mr. COOTE: Will the minister give us some details of how this money is spent?

Mr. STEWART (Argenteuil): We find ourselves very badly handicapped this year in connection with publicity work. A very large proportion of the losses of our forest wealth occurs through carelessness, and we find one of the most effective ways of arousing public opinion to the necessity of forest conservation is by advertising and by co-ordinating the efforts of the provincial forestry associations and their officials. I tried to persuade the newspapers that this publicity was in the interests of a very great national asset, but they insist on treating it as advertising matter.

[Mr. C. A. Stewart.]

Mr. COOTE: Is it not also in the interests of the newspapers themselves in perhaps keeping down the cost of newsprint?

Mr. STEWART (Argenteuil): I thought so, but they do not agree. This is the information desired:

	Estimates 1925-26	Estimates 1924-25	Increase
Head office..	45,000	45,000	.....
Publicity..	8,000	5,000	3,000
Save-the-forest week..	7,000	5,000	2,000
Emergency fire fund..	25,000	25,000	.....
Surveys and research..	50,000	45,000	5,000
Forest products laboratories:			
(a) Montreal..	103,500	103,000	500
(b) Vancouver..	28,900	22,500	6,400
Tree planting..	75,600	74,500	1,100
Forest reserves and fire ranging:			
Manitoba..	175,000	170,000	5,000
Saskatchewan..	221,300	220,000	1,300
Alberta and British Columbia..	445,700	435,000	10,700

There are slight increases right down the line. We are trying to keep this vote as moderate as possible, but there is no doubt in my mind that we are not spending nearly enough on the preservation of our forest wealth, and if I thought we could afford it I would ask the committee for twice this amount.

Mr. GARLAND (Bow River): I agree with the minister that there are few more important matters than the conservation of our forest wealth, but may I suggest to him that a good deal of the loss in the past has been due to improper cutting by the big lumber barons? Is the minister taking any steps to prevent that loss in the future by inserting proper restrictions in the new timber leases?

Mr. STEWART (Argenteuil): Yes. It is difficult to secure a uniform policy because the older provinces control their resources, although I do not mean to imply that the provincial authorities are not alive to the importance of the situation.

Mr. GARLAND (Bow River): What is the minister doing?

Mr. STEWART (Argenteuil): We are endeavouring to arouse public opinion to a realization of our great heritage in forest wealth, and we are trying to conserve that wealth by adopting the most modern methods of conservation in cutting. For instance, under the lease which we are granting for a pulpwood berth in Manitoba the Forestry branch will control the cutting with the view of maintaining a perpetual supply of pulpwood for the mill which is to be constructed there.

The company will also have to adopt proper conservation methods for taking care of the brush and slash to prevent destruction by fire. We are doing the same thing in many of our present day leases, but, as I say, it is difficult to secure uniform regulations because we have not absolute control of the situation throughout the Dominion. One of the objections raised in this matter is that if the restrictions imposed are too onerous the competition of others who do not have to submit to such restrictions becomes serious. However, we are determined that we shall work into modern conservation methods in the cutting of our timber.

Mr. GARLAND (Bow River): Unless the minister takes a strong attitude in this matter, all this money will be wasted. One of the greatest sources of loss is the utterly brutal, indiscriminate cutting of timber by our timber kings. They do not care what they do; they go in and smash and slash and cut off, profit being their primary object.

Mr. POWER: May I ask in what part of the country this indiscriminate cutting takes place?

Mr. GARLAND (Bow River): I venture to say there is not a single lumber king in the whole of Canada who is not guilty of it.

Mr. POWER: Is the hon. member not aware that New Brunswick, Quebec and Ontario have very strict regulations with regard to diameter limit, and so on, and does he not think that those provinces are in a position to have their laws obeyed and do have them obeyed?

Mr. GARLAND (Bow River): We are discussing matters of federal policy, not provincial.

Mr. POWER: I asked the hon. gentleman in what part of the country this indiscriminate cutting went on, and he said all over the country.

Mr. GARLAND (Bow River): Yes, and I do not think that is very far from the truth.

Mr. POWER: If the hon. gentleman does not know, he should not say so.

Mr. GARLAND (Bow River): I repeat that unless the minister is determined to take the strong stand which he declares for to-night, and in which I agree with him most heartily, it will be practically useless to spend this sum of money. I think he is going in the right direction; he has the right idea. It is only a question of a stiff backbone and good support from his own government.

Mr. WOODSWORTH: The minister has suggested that when timber limits were privately owned the Dominion government could not very well interfere. Now, I may have my own house, but the fire chief will come round, go down into my basement and see whether there is any rubbish there; he may go into all the conditions from the point of view of fire prevention, determine in what state I shall keep my back yard, and so on. It seems to me that whether or not these limits are privately owned the Dominion government has a right to prescribe certain regulations with regard to the manner in which the cutting must go on. I know best of the operations carried on in British Columbia. One cannot visit a logging camp there without recognizing that there is a very constant fire hazard in the immense amount of brush and slash that is left about; in fact the greater part of the country that has been logged over exhibits that condition. Is it not possible to provide detailed regulations with regard to cutting, even on private lands, just as restrictions regarding private property are imposed in our large cities?

Mr. STEWART (Argenteuil): I hope what I said did not create any false impression. Amendments are constantly being made to the timber regulations by all the provinces. We have conferences at Ottawa at which the regulations are discussed, and uniformity throughout Canada has now been practically secured. As to the province of Quebec, I do not think that any other province has made greater strides in forest conservation There is no doubt that cases of gross negligence can be found throughout the country and that many fire hazards are permitted to exist, but you cannot clear them all up at once. We are just beginning to awaken to a realization of the danger and of the necessity of suppressing fires. But I think we are making very rapid progress in this direction and that uniformity in administration will be brought about by the conferences to which I have referred.

Mr. GARLAND (Bow River): I am afraid the hon. member (Mr. Power) may have gained a wrong impression from my remarks. I want to indicate at least that I have some practical knowledge of what I am talking about. On the eastern slopes of the Rocky mountains I worked for some time in the lumber camps, and not far from the present Black Diamond oil fields I saw them cut timber that should never have been cut, the ground that was cut over being left in a disgraceful condition.

Mr. POWER: That has probably happened in all provinces, contrary to the regulations.

Mr. COOTE: Is this amount spent solely for the protection of the Dominion's own forests?

Mr. STEWART (Argenteuil): Yes, with the exception of the publicity and research votes.

Mr. COOTE: Alberta and British Columbia are given together in this item. I suppose most of that is spent in British Columbia?

Mr. STEWART (Argenteuil)): I am told that $280,000 is spent in Alberta.

Mr. ROSS (Kingston): What particular research work is being carried on in this department?

Mr. STEWART (Argenteuil): We are carrying on experimental work or research work at Petawawa, Ontario, and in New Brunswick, Quebec and the western provinces. It is very largely an attempt to discover the best methods of encouraging the natural forest growth.

Mr. ROSS (Kingston): Has any effort been made to replant large areas that have been cleaned off completely by lumber companies?

Mr. STEWART (Argenteuil): No, we are doing very little of that. We do not need to do very much in the way of tree planting, because if protection is given to the natural growth it will come up well and even in time need some thinning. In almost every part of Canada the natural growth will come right away if it is protected from fire. That is the biggest menace we have.

Mr. McTAGGART: How many forest reserves are there in the province of Saskatchewan, and where are they located?

Mr. STEWART (Argenteuil): There are fourteen, as follows: Moose Mountain, Beaver hills, Porcupine, Pasquia, Fort a la Corne, Nisbet, Pines, Sturgeon, Big river, Keppel, Dundurn, Seward, Elbow and Manitou.

Mr. SPENCER: I wish to congratulate the minister on the excellent work he is doing to conserve our forests. Of the large amount that is being voted here I understand that a lot is being spent on research work at Montreal. What research work would this be?

Mr. STEWART (Argenteuil): The principal work carried on in the laboratory at Montreal is in connection with the development of the pulp and paper industry. One problem in particular which I might mention is the separation of the resin from jack pine. As my hon. friend knows the resin makes the jack pine useless for the pulp and paper industry. We have large areas of jack pine in Canada which could be used in this industry when that problem is solved. That is just one of the experiments that are being carried on. Then there is also timber testing, and research work in connection with preservatives for wood, and various matters of that kind.

Mr. SPENCER: I notice that $75,000 is being spent on tree planting. Is that done in the three prairie provinces and in part of British Columbia?

Mr. STEWART (Argenteuil): It is all in the prairies, I am told. One of the stations is at Sutherland, and the other at Indian Head.

Mr. SPENCER: These are for the free distribution of trees?

Mr. STEWART (Argenteuil): Yes.

Mr. SPENCER: Is there not an item of this nature under the Department of Agriculture too?

Mr. STEWART (Argenteuil): Not that I know of.

Mr. SPEAKMAN: Last year under this item I discussed with the minister the question of a road to Nordegg, which lies within the Rocky Mountain reserve in Alberta. I pointed out then that the difficulty in constructing a road to that point lay in the fact that part of the road would come under provincial jurisdiction while the remainder, some twenty miles within the forest reserve, would be rather within federal jurisdiction. The minister indicated at that time that he would be willing to discuss the matter with provincial authorities to see if some arrangement could be arrived at. I would be glad to learn if that discussion took place, and what decision, if any, was arrived at.

Mr. STEWART (Argenteuil): I am sorry to say that with the exception of a mere mention of the matter at Edmonton I did not follow it up. When on a visit to the provincial government of Alberta I did mention the fact that there appeared to be a demand for communication from the Nordegg mines outward, but I regret to say I did not follow the matter up further than that rather desultory conversation on that occasion. However, I shall be glad to take the matter up again. I would say, however, that I fear we

would not be warranted in making a very much bigger expenditure than for the construction of a trail for our own forestry people, which would not, of course, provide adequate facilities for automobiles or horse traffic.

Mr. SPEAKMAN: I appreciate the difficulty in that regard, and I am not urging this with particular force on that account. I realize that it is somewhat out of the line of ordinary expenditure under this item. I did discuss the matter with the minister last year, and as he is familiar with it, I shall not discuss it further now except to point out again the great disability under which a community of some fifteen hundred or two thousand people lie when they have no communication with the outer world except by railway, and the great advantage it would be to them, as well as to the farming district lying east of that territory, if some road communication could be provided that would enable the people of Nordegg—I have that town in mind particularly because it is the one large town, comparatively speaking—to purchase their supplies of farm produce from the farm district lying fairly adjacent to it. I do not intend to discuss this matter at any length, because the minister is familiar with the circumstances, but I would be glad if he would remember when the opportunity arises again to take it up and see if anything possibly could be done under this item. I am quite sure that it would be money well spent, and the expenditure would be greatly appreciated by a very large community.

Mr. GOOD: I think there is no more important work being carried on by the Dominion government than this work of forest conservation. I am greatly pleased to hear the minister state that if he had the money he would recommend a vote twice as large for this purpose. I am very much surprised, however, that he has not succeeded, or at all events tried to secure for this purpose a little slice of that $5,000,000 that went to Quebec harbour. One-fifth of that amount would go a long way toward carrying out this exceedingly important work throughout the Dominion. I hope that on some future occasion the minister will be more successful in securing part of this money that flows in some directions so freely.

Mr. POWER: In order to obtain some benefit from this work, this timber must be shipped from somewhere, and you must equip the port of Quebec in order to ship it.

Mr. GOOD: That raises another question, and I shall not deal with it at the moment. I might remark, however, that there does not seem to be any difficulty so far in connection with facilities for shipping lumber from Quebec.

In regard to the destruction from fire, that seems to be the most important aspect of this question. I came through a section of the province of Quebec about two years ago, on the south side of the St. Lawrence from Quebec to Montreal, and I was astounded at the destruction of forest in that territory at that time. For nearly the whole distance, or the greater part of it, we were passing through a dense cloud of smoke and blackened timber everywhere. That seemed to me very strange in that part, which I thought one of the best settled and the best protected parts of the province of Quebec. Those who have passed through that great stretch of territory north of lake Superior and in northern Quebec will realize the tremendous destruction from fire, and I do hope the minister will devote all he can secure to this particular purpose. I would be very glad indeed to support a larger vote for this purpose. I do think, as I pointed out a few minutes ago, that there are other savings that could be effected which would enable us to vote a larger amount of money for this extremely valuable work.

Mr. GARLAND (Bow River): Does the air protective service come under this vote?

Mr. STEWART (Argenteuil): No.

Mr. GARLAND (Bow River): The preamble of this vote declares that it is for surveys of forest resources, and so forth. I raised the question this afternoon when we were discussing the item of topographical surveys just what was covered by these surveys of forest resources. By whom are they carried out, and what do they cover?

Mr. STEWART (Argenteuil): That is the definition of cruising; it is done to ascertain the quantity of timber.

Mr. GARLAND (Bow River): Is it not true that a good deal of that cruising can now be eliminated by the use of the photographic maps prepared by the topographical branch?

Mr. STEWART (Argenteuil): No, this is to ascertain the quantities of timber. The aerial service indicates where the timber is to be had.

Mr. SPENCER: Is this survey being done in the three prairie provinces or in all the provinces?

Mr. STEWART (Argenteuil): Just in those provinces where we own the timber.

Mr. SPENCER: I take it they all do a certain amount of research work?

Mr. STEWART (Argenteuil): Yes.

Mr. SPENCER: Does their work in any way overlap the work done by the federal government?

Mr. STEWART (Argenteuil): No, I can assure my hon. friend of that.

Mr. COOTE: Do we get any revenue out of these forests where we have to pay for fire protection?

Mr. STEWART (Argenteuil): No, I do not think we get any very great amount of revenue.

Mr. COOTE: We do not get sufficient to pay for the cost of fire protection?

Mr. STEWART (Argenteuil): I could give my hon. friend the details of the revenue from the Forestry branch. The statement does not include the timber berths proper. The details are as follows:

Timber sales	$124,528 30
Timber fees and dues	35,628 94
Timber seizures	1,331 18
Grazing permits and trespass dues	27,535 49
Hay permits and seizures	1,746 65
Surface rights	3,590 32
Special uses	3,751 76
Unclassified	12,766 10
Pine thinnings	571 65
Laboratory tests	448 00
Nursery stock (Indian Head)	2,877 00
	$214,775 39

Mr. COOTE: I think one of the necessary things in any fire protection policy in a national sense is to devise means, if possible, whereby those who are cutting the timber should pay enough to this country to cover our expenditure for fire protection. I quite realize that is not possible at the present time, but I think the government might do something towards collecting a little more from those who are cutting the timber so that the cost may be more nearly met by the receipts from the sales of timber. Just before the item passes, I should like to bring to the attention of the minister the case of a forest ranger living on Willow Creek, Alberta. This man, I think, is located about ten miles from the nearest telephone, and it seems to me to be foolish economy to have a forest ranger where he is without a telephone. His home is a long way from any neighbours, and if he did discover a fire it would take him quite a while to notify anybody in order to secure help. He does not even have a radio set, I understand, by which he could receive messages. I think it would be very good policy on the part of the government to extend a line and put a telephone into that forest ranger's house. Altogether aside from that consideration I do not think it is quite fair to the ranger to keep him living there alone without a telephone, because in case of accident or sickness, he might die from want of assistance. Any number of poles could be obtained from the government forest reserves for the extension of this line, and it would not cost much to place a telephone in the man's house. I do not know whether there are many other rangers who do not have telephone connection, but it does seem to me that all these men should have that convenience.

Mr. GOOD: In regard to the research work being carried on in the laboratories in connection with our pulp and paper industry, are any of the services paid for by the industry or are they all given free?

Mr. STEWART (Argenteuil): We do receive something from the pulp and paper men. We are now using $20,000 from that association.

Item agreed to.

For investigations of water and power resources, including the Dominion hydrometric survey and for the administration of the Dominion Water Power, Irrigation and Reclamation Acts, $500,000.

Mr. STEVENS: On this item I want to bring up once again the question of the alienation of water-power in Spray lakes, Banff park to other than the Dominion government. The minister and the committee will recall that this subject was up in previous sessions. I think the minister was good enough to assure the committee last year that nothing would be done during the year, and I think that as far as he is concerned he has kept faith with the House in that regard. I understand, however, that engineers have been in that district looking it over on behalf of the provincial government and on behalf of a power company. The minister undoubtedly will be ready to give to the House a complete statement of the standing of this important question. It is not my intention to delay the committee to-night by speaking at any length. However, I am going to ask the minister to give us a very frank statement on the subject, and I want to take the opportunity to say this: in my estimation no portion of these national parks should be parted with except with the consent of parliament. That I lay down as a principle which I think

should be observed. Then, in regard to the granting of power leases in the parks, I again say that the subject should be discussed in parliament before they are granted. In saying this I am not expressing any distrust of the minister and of his officials, because in the ordinary treatment of the applications in other parts of the Dominion lands I have no criticism whatever, and I am making no criticism, of the manner of administration. I am speaking now of the parks set aside and belonging in a peculiar manner to the people at large. They should be kept inviolate and sacred in the interests of the people. I have had a good deal of correspondence on this matter. I am interested myself in the National Parks Association. I attended their annual meeting last January, I think it was, and I have in my hands the reports of this association. It is a highly disinterested body—when I say disinterested I am speaking, of course, from a commercial or personal standpoint—of citizens whose sole object is to conserve to the people their right in these splendid national parks. I do not know of anything that should be more carefully guarded than those great national playgrounds. I think too often the impression is given that these are useful to or used only by wealthy people. That is not the case. They are the natural playgrounds of the poor and the rich and we should be very careful of the rights of all. If the minister would be good enough to give us a frank statement of how the matter stands, I will reserve the right of saying a few words more if the occasion demands it. I want to assure the minister that it is not my desire to delay the passage of his estimates, because I know he has had a very hard day, he has worked hard and he has treated the committee in an exceptionally courteous manner. I do not wish to harass him at all, but this is too important a matter to allow it to pass without very careful consideration.

Mr. STEWART (Argenteuil): I confess that I have had some difficulty in my mind with respect to this very important development. I will try to cover it as quickly as I can. In the province of Alberta from which the National Park reserve is taken there is not very much chance for power development. The head waters of the Bow river, the head waters of the Saskatchewan and the head waters of the Smoky are about the only chances for development of that character in the province. Naturally, we have many people who look upon the possibilities of power development with somewhat envious eyes. Perhaps we have been sinners ourselves to some extent, inasmuch as at Minnewanka permission was given some years ago to the Calgary Power Company to develop power by the creation of a reservoir at Minnewanka lake. We ourselves have developed there a certain percentage of horse power for lighting the municipality of Banff and for our park purposes. Rightly or wrongly, the Calgary Power Company have had a grievance, either supposed or otherwise, that they were not permitted to develop Minnewanka lake to the extent that they thought desirable. That has been opposed by the park authorities and I may say frankly that I have opposed it myself. After visiting the lake and seeing the situation there, the location of the road which is only about six miles from Banff, the very centre of tourist activities, I did not think it wise that that lake should be raised to any higher level which would result in a very large fluctuation of depth in the lake and, perhaps, make it present during the tourist season an unsightly shore line if the water happened to be at a low level. I mention this in order to give the committee a picture of the difficulties of the Spray lakes' situation. The Spray lakes are located about eighteen miles from Banff. They are the headwaters of the Spray river, where there is a tremendously large valley through which the road leads up to Mount Assiniboine and where you can get a splendid view of the mountains and see some very interesting scenery. I visited that area, and the development, if it were granted, would mean that the water level would be raised in those lakes, which are now a series of three rather small lakes as mountain lakes go, but rather picturesque, to 176 feet, the flooding of a valley twelve miles long and cutting through the mountain of a tunnel to bring the water from this huge reservoir into the Bow river where it could be utilized for the second time by the existing power plant of the Calgary Power Company. My opinion is very mixed about the matter. If a reservoir of that kind were created and it were a success, possibly it would not present any serious difficulty from a scenic standpoint, inasmuch as it would be filled up before the tourist season started. But, speaking as a layman, after looking the situation over, I have very grave doubt whether they have water enough to fill the place. There is not a very large stream flowing out of it It is the head waters of

the Spray river. Engineers, however, have assured me that it can be filled and you would get a tremendous power development which would serve the existing municipalities of Alberta as far north as Edmonton.

Mr. STEVENS: This is not the only power available for that vast area of Alberta, is it?

Mr. STEWART (Argenteuil): Practically, yes. It is the only available source of power for large development. Other possibilities have been surveyed and turned down by the engineers of the company, reinspected by our engineers and turned for the same reasons. No one loves the grandeur of mountain scenery more than I do and I do not want to see it disturbed. I even go almost to the extent of refusing to build automobile roads in order that nature may be seen as nature was intended to be seen from horseback or on foot, and in that way, perhaps, we can save some park expenditure. That is what we are endeavouring to do in the development of Jasper, as the construction of motor roads through the park is sometimes pretty expensive work. But having in mind the cheap power and the distance that this is removed from the centre of the tourist traffic, being eighteen miles from Banff, I have a very mixed opinion about the matter, and now I am in receipt of a request from Alberta on behalf of the province for a license to develop this power. Having in mind the statement I made in the House last session that before any concession was granted this matter would receive very full and frank discussion in the House. I have not considered the granting of this license. The request is in my office awaiting action on the part of the Department of the Interior. Having also in mind the very large coal deposits that we have in Alberta, and wishing, I think, further exploration by our fuel board and by others interested, I believe it will, perhaps, develop that by the cheap, easy methods by which we can produce the fuel, we can burn it at the pit mouth, saving transportation costs, and transport electricity over the wires as is the case in waterpower development. On the other hand, I dislike holding up a request from a province, and I want to say, in fairness to the committee and to parliament, I would rather that parliament would take the responsibility of passing upon this question either by a vote or otherwise and settle the matter. I hesitate to take the responsibility of passing upon a question of this kind without having parliament pass upon it. That is my position.

[Mr. C. A. Stewart.]

Mr. STEVENS: I am glad to hear the minister give expression to the last few sentences in particular. I would suggest that all national parks be declared as such and that, except for such minor privileges as the freedom to vend ice cream and other refreshments of that kind in these parks, they shall not be alienated nor shall any rights or privileges in any portion of them be conceded except by act of parliament. In other words, there should be declared in Canada a policy in relation to our national parks which will preserve them from any alienation or interference of any sort. If the minister would take that stand now and amend the Dominion Lands Act, or whatever statute deals with the matter, to provide for a policy of this kind, it would be an excellent thing. In that case there would have to be submitted to parliament any application that might be made such as the one now mentioned. Far be it from me to offer any resistance to the reasonable request of any province for any concession in connection with Dominion property. That I would hesitate to do. But on this question I am very much in earnest, because I apprehend that if we give way to the province of Alberta in this particular application we shall simply open the door to all manner of applications that might come from various parts of Canada affecting any of our national parks. A couple of years might go by and the Alberta application be forgotten; and then would come one from British Columbia perhaps, or from Ontario, or perhaps one from some railway or steamship company. We might have innumerable applications from these and other sources for apparently minor privileges or concessions and very soon we should find our national parks broken up under a varied control and invaded by divers interests. That is why we should formulate some definite policy such as I understand prevails in the great national parks to the south of us. In the United States, if my information is correct, a policy is in force under which no concessions are granted at all within national park areas; and they are now enlarging the federal control, limiting in some of their areas the practices of citizens, the prices that may be charged for certain services, and so forth, to prevent the exploitation of the public. All these things are being carefully guarded, as they should be. Our parks are not only great play-grounds, but they may become a splendid revenue producer for the people of Canada. We have no objection to tourists enjoying them; indeed, we welcome them provided the tourists respect our pro-

perty, as most of them do. But this very sacred right of the people in these great national play-grounds, which will become more and more valuable yearly and less capable of being restored if they are destroyed, should be definitely fixed now. I would therefore again appeal to the minister to take action in this matter. I referred to this matter a year ago, and I do think that this invasion of our national parks should be held off until such a policy as I have suggested is definitely decided upon so that parliament may deal with any applications that may be made. I appeal to the minister with confidence, for I think that both his heart and his mind are inclined to respond to the appeal.

Mr. SHAW: With much of what the hon. member (Mr. Stevens) has said, I find no objection. We should inaugurate a definite parks policy for the preservation of our parks and for their maintenance as far as possible in the natural state. But there arises one difficulty which we must not overlook, and that for reasons which have never been satisfactorily explained so far as I know. There is I think something over 9,000 square miles of parks in Alberta, practically all along the eastern fringe of the Rocky mountains, and this national park area was established I believe largely for the purpose of creating a forest reserve. It was not because the scenic beauty of that area was of such great value that it had to be preserved intact for generations to come; the fact is that large portions of it are wholly unfit from this point of view. Now, the first thing that we should do is to make a careful survey and select those portions of the present established park areas which are suitable primarily for parks, and properly safeguard them, so that no disposition shall be made of any concessions therein without the consent of parliament. The request of my hon. friend in this regard is reasonable; I know that is the policy of which the National Parks Association approves. But in this vast area of national parks in western Canada there are at present great coal deposits and perhaps vast mineral deposits as well. Is that entire area to be preserved intact without development of any kind? It seems to me that such a policy is neither wise nor desirable. I think the first thing we should do is to carefully select our park areas and see that they are maintained.

With regard to the Calgary power proposition, one cannot deny that the area, so far as the lakes are concerned, is of considerable scenic value. And I do not think there would be any difficulty in duplicating the Spray lakes in a dozen different places in Alberta. I have had the privilege of visiting this area two years in succession, last year and the year before; and in order to have my opinion confirmed I had the pleasure of going up with the hon. member for Bow River (Mr. Garland) last year. But a large portion of the area has been burned over, and the whole extent of it is a splendid indication of what can be done by irresponsible logging companies. It has all been lumbered and slashed and the whole area has been burned over, so that from the standpoint of attractiveness its value is practically insignificant except for the lakes. I am not so sure that the flooding of a large portion of that area would not make it a great deal more valuable from the scenic standpoint than it is to-day. If there is a possibility of water-power development in this area I see no reason why the province of Alberta should not be given the right, if it so desires, to secure that privilege; but I would first see to it that the park area was selected. This commercial section is not especially valuable for scenic purposes and at least a considerable portion of it could be taken out of the park area. I see no reason why the Spray lakes area should be preserved for its scenic value, because to be frank it has very little apart from the lakes; and I think most people who have been in that area will agree with what I say. I have pleasure in seconding the remarks of the hon. member for Vancouver Centre (Mr. Stevens). We should establish a definite park policy at the earliest possible date, under which there would be no encroachment for commercial purposes, save only with the sanction of this parliament.

Mr. WOODSWORTH: Mr. Chairman, under this item I should like to make a few remarks with regard to the more general question of water-powers. The member for Vancouver Centre (Mr. Stevens) has made a plea for the sacred rights of the people in our national playgrounds. I should like to urge the sacred rights of the people in the water-powers of this country. At the present time in Great Britain and throughout a good part of the continent they are taking very great care of their water-powers, they are beginning to realize that in view of the electrical development that is going on these are invaluable and ought to be preserved to the state as a national asset, not to be alienated. In the United States we have learned through other debates in this House that a good deal has been said about the need of a wide policy. Various companies are talking about some super power development. Unfortunately

there is perhaps a danger of this being undertaken by private concerns. Although a good many of our water-powers have already been alienated it would seem that we ought at this time to adopt a policy by which to conserve those that still remain under the control of the Dominion government; and I should hope that some day we will be able to regain for the people the water-powers that have been alienated. I would urge upon the department that there should be no further alienation of any water-power whatever but rather that in view of the great need there will be for water-powers for electrical development in the days to come, we grant the use of any of these powers only under the strictest supervision. Personally I think we ought to look forward in the very near future to a policy by which the Dominion government, in conjunction with the various provincial governments, will develop these water-powers.

Mr. STEWART (Argenteuil): That is our policy at the moment. We do not let these water-powers pass into private hands any longer.

Mr. WOODSWORTH: But nothing has been done in the way of development?

Mr. STEWART (Argenteuil): No.

Mr. GARLAND (Bow River): I think the minister is technically correct but let me tell him frankly that as soon as he begins leasing for long terms vested interests arise and the government is up against the great difficulty of having practically to perpetuate private control of these resources. I think what the hon. member for Centre Winnipeg (Mr. Woodsworth) desires, and indeed I desire it myself, is to see the government maintain not only state control but the right to direct operation and to control the rates to be charged those who consume the power developed from these resources.

Mr. STEWART (Argenteuil): True, the lease is for a term of years, but the control of the rates is absolutely in our hands. In view of what the hon. members for Vancouver Centre (Mr. Stevens) and West Calgary (Mr. Shaw) have said, I shall be perfectly willing, so far as this particular development is concerned, to submit it to parliament for consideration. We have a parks bill prepared in the department. One of the objections I have to this is that legislative action of a hard and fast character under which to operate our parks is not desirable.

[Mr. Woodsworth.]

Mr. STEVENS: My appeal is that the statutory control shall be applied only to applications for what I might call the dissipation of the resource itself, not the ordinary administrative concession.

Mr. STEWART (Argenteuil): As to the statement by the hon. member for West Calgary that we have entirely too large an area in our parks, I doubt if this is true of the Banff park. I think he has in mind the forest reserve surrounding it. The park, which includes the Spray lake area, I do not think is unduly large. In nearly all our parks there is some scenic value which it would be dangerous to relinquish our control of. I agree with my hon. friend and confess that when I went up on that mountain and viewed the area I thought a twelve-mile lake would improve the scenery. This is a very vexed question, the public are taking a very great interest in it, and the Minister of the Interior can easily get into very serious difficulties in regard to it. Therefore I am relieved to pass the responsibility on to parliament.

Mr. STEVENS: Nothing will be done until the question is debated in regard to a parks bill?

Mr. STEWART (Argenteuil): I will be prepared to submit it to parliament.

Mr. GARLAND (Bow River) In regard to this particular development?

Mr. STEWART (Argenteuil): Yes.

Mr. GARLAND (Bow River): As to the Spray lake question I agree almost entirely with the position taken by the hon. member for Vancouver Centre (Mr. Stevens), and the minister will have my very hearty support should he introduce any park policy of a definite character undertaking to do what has been suggested to-night. I had the pleasure of accompanying the hon. member for West Calgary (Mr. Shaw) into the Spray lake district last year. We found there exactly what he describes—a wretched area. The lake itself is most disreputable looking. There was really nothing picturesque throughout the whole area, and I do not think that any of the scenic beauty of Banff would be destroyed by developing a reservoir there. I am inclined to think that the scheme might be practical if carried out, but I am not yet convinced of this. We took the trouble of going over the site, examining the location of the proposed dam and tunnel, the estimated flow, and so on. But apart from that aspect altogether, I am inclined to agree with the minister that

before we turn our attention to the alienation of any of the power resources in the parks area it would be as well to take into more serious consideration the development of power from our coal fields. I hope the government will continue its investigation in that direction so that we may be able to develop something similar to what the Ford plant in Ontario has accomplished. I am informed by one hon. member who went through the plant that the Ford people develop their own power from coal dust and claim to be able to do it cheaper than the cost of hydro electric power. Of course, I cannot vouch for the accuracy of all the statements made by those who have visited the plant, but certainly there should be a fair prospect of developing cheap power from our vast coal resources in Alberta, and I think the minister's advice might well be taken into consideration and the development of this Spray lake project deferred until it really becomes necessary.

Item agreed to.

To cover professional assistance engaged by the Governor in Council to assist the departmental officers who are advising re international and boundary waterway questions, $8,000.

Mr. STEWART (Argenteuil): In addition to paying for professional legal services, we are paying a portion of this amount for inspectional work at the Norman dam this year.

Item agreed to.

Allowances to W. J. Stewart, Chief Hydrographer, and to J. T. Johnston, of the Dominion Water Power and Reclamation Service, of $1,000 each, for services in relation to questions under consideration by the International Joint Commission during the year 1925-1926, $2,000.

Mr. STEWART (Argenteuil): I desire to move that this item be reduced by $1,666.68, so that the amount to be voted will be $333,-32.

Item, as amended, agreed to.

Grant to Western Canada Irrigation Association, $1,000.

Mr. GARLAND (Bow River): What has the minister been able to do with respect to the Western Canada Land and Irrigation Company?

Mr. STEWART (Argenteuil): Owing to the serious condition this project got into last year we have to expend $20,000 this year in connection with it. I was not able to get any information from the liquidator that would lead me to believe that he would be financially able to carry on the enterprise this year. He had hopes of selling it, and he had various schemes in that respect, but I pointed out to him that under the Irrigation Act we would have to see that persons who purchased land under that project were protected. I was able to make an arrangement with him for one year. I got him to appoint the Minister of the Interior as agent for the receiver. We will have to furnish in the neighbourhood of $100,000, but we have all the powers that are conferred on the receiver for carrying on the project during the year. We will have to carry out some improvements upon the main ditch and upon the bridges crossing the ditch, but only necessary improvements, of course, of that character will be made. We will deliver water to water users and to the New West Irrigation District, which is a subsidiary and receives its water supply from the Canada Land and Irrigation Company's ditch. Mr. McLane has been appointed as representative of the company. We have appointed Mr. D. W. Hays as manager. Most of the western members will know Mr. Hays very well; he has had long experience in irrigation work and in addition is a good engineer. One of our own men has been sent to Medicine Hat to take charge of the office and to protect us in every way, to see that the accounting is properly done, and so on. So that for this year we will carry on in that way, in the hope that the receiver will be able to sell the enterprise or to make some arrangement under which it will be operated on the resources of some new company or even financed by the old company itself.

Mr. GARLAND (Bow River): Knowing the conditions down there as he probably does, the minister must realize the desperate position in which these people find themselves, and merely making this arrangement for a year will not solve the problem. If he is simply going to permit the sale of the whole property to some other interests I am satisfied he will never get the money out of it. I doubt if anybody else will buy it unless they can keep on taxing the present contract holders. I am not sure what the minister has in mind with respect to that. I have had many communications from these people and they point out that there is one thing they require definitely to know if they are to continue operating on farms down there, and that is whether the contracts of sale are going to be modified. They want, in the first place, reduced valuation; secondly, they want some measures under which they will be able to get the water when they need it; thirdly, they suggest that the federal government should make some definite steps in this direction.

I have here one resolution which I think it might be well to read. It says:

Whereas as a result of continuous droughts for the past six years, which have resulted in crop failures in the districts adjacent to the towns of Lomond, Traverse, Enchant and Retlaw, we, the farmers in this area, have through no fault of our own become practically destitute. We are facing a crisis, where some immediate action must be taken to better our condition, in order that we may eke out an existence and stop the entire depopulation of this portion of the province;

And whereas, through our efforts to maintain our homes, we have individually incurred and are encumbered with a burden of debt which it is impossible for us to carry, which we will never be able to pay, and which is increasing annually;

Now be it therefore resolved, in view of the fact that the government of Canada has invested several hundreds of thousands of dollars in the Canada Land and Irrigation project, that we the farmers of this area respectfully petition the aforesaid government to nationalize this project and as a means of alleviating conditions as they exist here at present, to construct laterals from the main canal to enable us to irrigate at least a portion of our land, in accordance with a survey made some years ago, thereby enabling the people who pioneered here and established homes fifteen years ago to remain.

I was down in that district and I find there is quite a population of these pioneers, many of them men experienced in irrigation work in the United States. Most of the men who remain there are anxious to stay; they do not want to move out; they want to get water; they want to get reasonable terms. They may not be wise; I do not know myself whether the minister has faith in irrigation as a solution of the difficulties in that area, but if he has faith in it I do most earnestly urge upon him to expedite a solution of the difficulties which face these people. They are really in a desperate plight, and if the government is unable to give them any hope for better things in the future then the only thing left to them is to pull out. If they do that they will leave the district with a very large debt—school and municipal taxes, mortgage debts—on their shoulders; the whole scheme will be blown to pieces, irrigation development work in that portion of the province will be set back for many years.

Mr. STEWART (Argenteuil): The territory my hon. friend speaks of is not irrigated.

Mr. GARLAND (Bow River): Not yet.

Mr. STEWART (Argenteuil): The people there are asking for a supply of water from the main canal of the Canada Land and Irrigation Company and we have authority to deal with that request. The New West organization, which is a reasonably flourishing project, was organized under provincial auspices. The water is being delivered to them, and we can do the same for other people. The contractors that I spoke of are those having existing contracts on the Canada Land and Irrigation project. We have power to reduce their contract price, and I am looking into that matter now with a view to making a reduction to encourage and hold these people who are on irrigated lands, and are meeting with a reasonable amount of success. But clearly I do not want to take on a new project until something at least is done with the other. In any case they could organize themselves into an irrigation district and float their bonds as the others have.

Mr. GARLAND (Bow River): But they have no funds to do anything of this kind with: they are practically bankrupt, every one of them. They are in a desperate state and awaiting relief. Just in connection with that, I received only this morning a letter which I think it is perhaps just as well to give the substance of to the minister at this moment. He may be able to give me an answer at once. It would appear that the Canada Land and Irrigation Company is not yet liquidated, and therefore is still in possesion of the works. Now there is a certain bridge, between sections 1-19-22-W4, and sections 35-18-22-W4, which was condemned last year. Nobody has been able to do any work on it, and the Canada Land and Irrigation Company ignore it; they refuse to do anything. The bridge itself is impassable, and yet it is on a most important road, the road that goes from Brooks to High River. In addition, note that it is practically the only road by which the farmers west and south of Milo can get into Milo. I think it would be well if the minister would give out instructions to have this matter looked after at once.

Mr. STEWART (Argenteuil): I may say that that matter is being taken care of. The engineers have instructions to pick out the more important bridges and repair them first. Unfortunately most of the bridges on this project are out of repair. I was hopeful that we would not need to repair them all, except on the more important highways of traffic. I feel quite confident that the bridge my hon. friend mentions is being taken care of, and I shall be very glad to wire out definite instructions if he will give me the exact location.

Mr. GARLAND (Bow River): I will hand over the letter to the minister. I received it only this morning, so he will recognize that the bridge is a very recent cause of trouble. The farmers in that district will be absolutely unable to take advantage of the new railroad

that is being built unless they can get this bridge repaired.

Mr. GARDINER: In case of a revision of the contract prices downwards, will the minister be able to maintain that in case of a disposition of this area of land to some other company?

Mr. STEWART (Argenteuil): Oh yes. They will be given new contracts, just as the Canadian Pacific did in their case. We have the authority of the receiver for doing this, passed upon by the bond holders, by whose authority the receiver was appointed. I was very careful to get the Justice department to protect us in that matter, in order that we might give that very necessary relief.

Mr. GARDINER: I believe you have appointed the late manager to supervise this matter under your jurisdiction. Has the minister looked into the question of this man's ability to give proper supervision without undue cost?

Mr. STEWART (Argenteuil): Yes. I have known Mr. Hays quite a number of years. I have known him as a consulting engineer, and employed him in Alberta. When he took over that project it was in very bad shape. The company was practically out of business, but he carried it along on a shoestring for years until, of course, he could not carry it on any longer. But in addition to that our own engineer, Mr. Meek, is acting in a supervisory capacity to Mr. Hays, as the resident manager.

Mr. THURSTON: Would the minister complete his explanation of this vote for $1,000?

Mr. STEWART (Argenteuil): The Western Canada Irrigation Association was organized in a small way in 1907. For a great many years it was the practice of the department to make an annual grant of $500.

Mr. THURSTON: For what purpose?

Mr. STEWART (Argenteuil): For the purpose of publishing the annual report of the convention. In 1919 it was decided that the government report should no longer be published, but the grant was increased in that year to $1,000, and from then on an annual grant of $1,000 has been made. Instead of publishing the report of the annual convention the association now issues a monthly bulletin, The Irrigation Review, which is sent out to all water users free of charge.

Item agreed to.

[Mr. E. J. Garland.]

To provide for the expenses connected with Canadian National Parks, historic sites, care of indigents in the parks, etc., and to reimburse the provincial government for the salaries of police magistrates at Banff and at Jasper, $1,025,000.

Mr. SPENCE: Would the minister be good enough to explain the increase of $25,000 in this item? It seems an unreasonable increase.

Mr. STEWART (Argenteuil): We find ourselves from time to time up against rather serious expenditures. A year ago we had to install a power plant at Banff, which ran our expenditure up by over $150,000. I am trying to keep the expenditure as close as I can to $1,000,000, but this year we find a rather serious situation in Jasper, owing to having to provide a water supply, which will cost us in the neighbourhood of $80,000. There is a fairly large municipality growing up there, and unless something is done of a radical character we may find ourselves with an epidemic on our hands. This has increased the amount of the vote, in spite of our cutting down on other expenditures, and largely accounts for this increase of $25,000.

Mr. THURSTON: Is there any charge for the water to the citizens?

Mr. STEWART (Argenteuil): Oh yes. This is not a capitalized expenditure. We take it out of the revenue account, and then make a charge to the water users.

Mr. STEVENS: I would like to make a suggestion to the minister in regard to this item and the rest of this vote. It is getting pretty late, and this is a very large and very important item. I cannot speak for my hon. friends to my left, but I wanted to make this suggestion: We might let this large item stand, and then pass the subsequent items, which are of less importance. I think we should leave this large item over for discussion when it is not quite so late.

Mr. SHAW: I would like to concur in the suggestion of my hon. friend. The item is a large and important one, and merits much more consideration than we can give it at this hour of the night. I would suggest to the minister that the item stand.

Mr. STEWART (Argenteuil): I am quite willing to let it stand if the other items are passed.

The CHAIRMAN: All the other items are carried with the exception of the vote for Canadian National Parks which stands.

Mr. SPENCER: What other items, Mr. Chairman?

The CHAIRMAN: The rest of the items in the resolution.

Mr. SPENCER: In reference to the item of $1,000 "grant to Alpine Club of Canada"—I should like to know why this grant is made, and what the government get out of it?

Mr. STEWART (Argenteuil): The Alpine Club is regarded as a very important organization, and I think perhaps the government gets full value for the grant through the advertising received. The club's report of its annual outings and what occurs at its camps, with the pictures of the scenic beauties in which the camps are located, and the accounts of the club's mountain climbing, is now distributed in most of the countries from which we get tourist traffic. Throughout the United States and Great Britain you will find copies of the report which is issued annually, and I am bound to think that the thousand dollars brings very fair results in that way.

The CHAIRMAN: The items are carried with the exceptions of the vote for Canadian National Parks.

Progress reported.

On motion of Mr. Graham the House adjourned at 11.55 p.m.

END OF VOLUME IV.